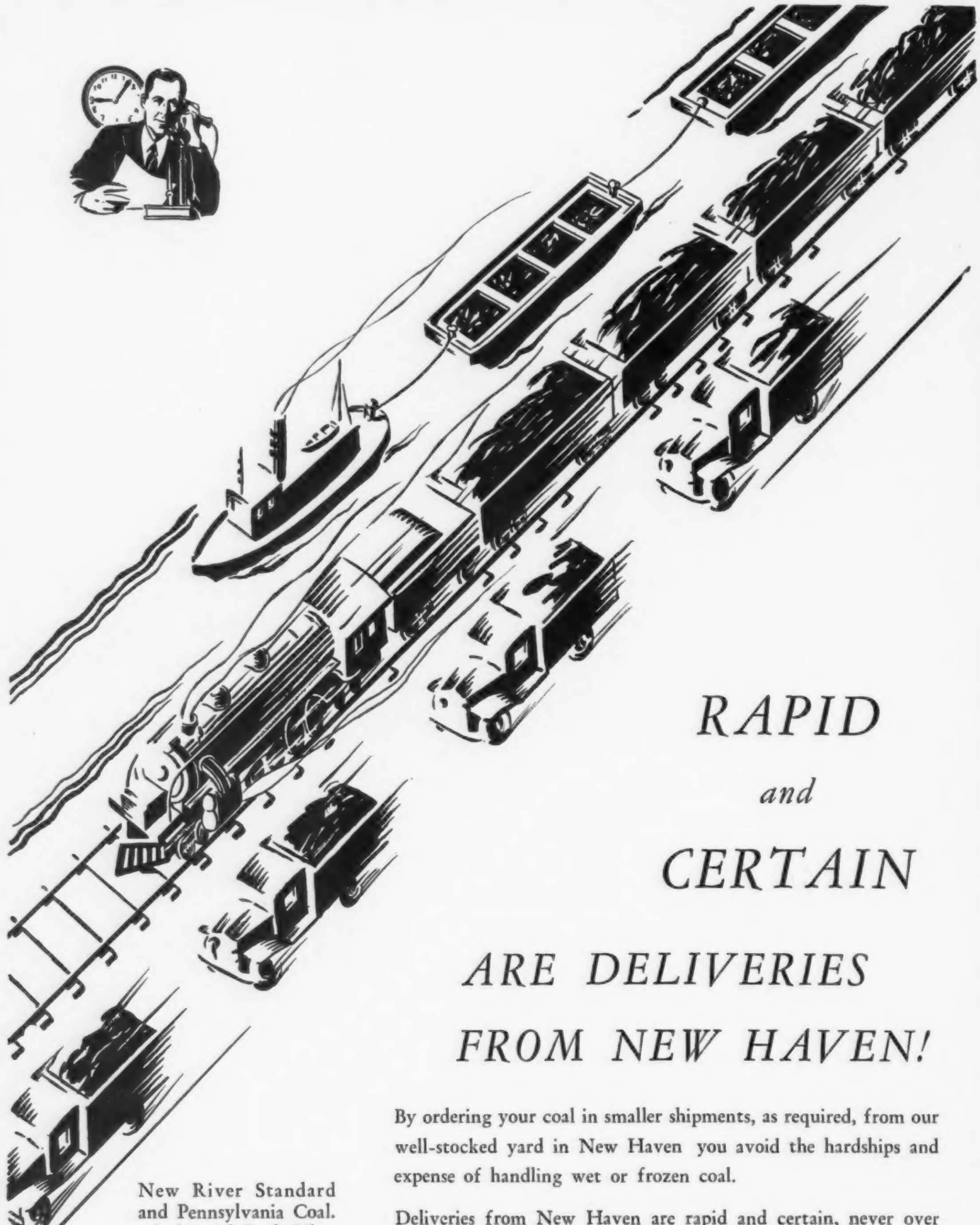
Courtesy Hartford Courant

MARCH instead of April brought showers and raging torrents of rain, melted ice and snow to cause death and destruction in Connecticut and other New England and eastern states. The above airview, a typical scene in flooded areas, shows the main plant of the Hartford Electric Light Co. and the tops of three hangars at Brainard Field, Hartford.

CONNECTICUT INDUSTRY

APRIL 1936



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L. M. BINGHAM, Editor

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NEW ROADS TO DICTATORSHIP

By E. KENT HUBBARD

It was expected that the original Ellenbogen bill to license the textile industry (H.R. 9072) would be superseded by some more reasonable substitute because it went far beyond the "chalk-line" of limitations on industrial regulation laid down by the United States Supreme Court in several cases. As shown in the hearings two months ago, it contained the worst features of at least four unconstitutional statutes, the NIRA, the AAA, the Utility Holding Company Act and the Child Labor Law.

The expected substitute in the form of a new bill, H.R. 11770, was introduced by Congressman Ellenbogen, March 12, 1936. The main reliance of H.R. 11770, like the former bill, is on the commerce clause of the Constitution which it seeks to invoke in the preamble by a "legislative determination" that the manufacture and distribution of textiles is affected with a national "public interest," which cannot be adequately safeguarded by local regulation. It sets forth, as the "public interest" phase, the disruption of commerce from mill migration, unfair competition in wages and trade practices, and industrial unrest, whereas the first Ellenbogen bill viewed wages, hours, and health as the dominant "public interest." Although both rely on the spending power of Congress, denying the benefits of direct or indirect government purchases and loans to non-compliers, the provisions in the new bill are more specific and far reaching. They provide for the creation of a National Textile Commission with authority to issue, cease and desist orders; for a minimum weekly wage of $15, and a maximum 35-hour week with time and one-half for overtime. The Commission is also authorized to fix graded wage minima for skilled and semi-skilled workers and sectional wage or hour differentials are provided.

In short, the innocent looking number H.R. 11770 is just another of many recent and present attempts of the bureaucrats to "dig out" from behind the Constitutional fence staked out by Supreme Court decisions. While the Ellenbogen and the Healey-Walsh bills are widely separated in their approach, both are roads in the making leading toward the same goal—virtual dictatorship of American industry. Both should be flooded out by a heavy storm of common-sense opposition before either is completed to bring relapse to our nation, now convalescing after its worst economic illness.

LAST MONTH IN WASHINGTON

Confusion and near-chaos reigned in Washington for the past month. Tax discussions led the parade with relief running a close second. The boiling pot also sizzled with preliminaries to impeachment proceedings of Federal Judge Halsted L. Ritter of the Southern District of Florida (12th in history of Congress) in which the Senate will select jurors and sit in judgment. The charges allege allowance of exorbitant fees and acceptance of fees from former law partner. Odors from the low cost housing 'mess' brought a concession from the President that the present chaotic condition of plans in this category would make any specific legislation in this line improbable this session. However, to extend loan insurance for modernization loans Chairman Fletcher of the Senate and Steagall of the House Banking Committees introduced identical bills almost simultaneously with the President's admission, which would extend the insurance feature beyond its expiration date (April 1) to the end of the year. These bills provide for only 10% insurance instead of the prevailing 20% and passage looks probable.

The President's relief message asking for $1,500,000,000 more in a lump sum to be spent largely by WPA for relief, also carried another challenge to industry in the matter of putting the unemployed to work or bear heavier taxes and further hampering legislation of the NRA stamp. It put forth substantially the same threat as Berry's recent outburst and others previously delivered by the President . . . and so unjustly in the face of the fact that private industry has more than any other economic segment taken up the slack, and could not possibly employ over 2,000,000 more even if the building industry and other lines of activity were going at previous peak levels. General opposition to appropriation of such a huge sum without being more specific as to how it shall be spent, was registered by many Congressmen. General observation is that Congress will pass the buck to the President on spending because it doesn't know what else to do and it has its hands full with the tax muddle, other necessary appropriation bills, industry control bills, investigations —all before it can go home. Total cost of relief this year is now estimated at $3½ billion or better.

The House Ways and Means Committee is attempting to extricate itself from the worst tax bog in years by framing a bill which will raise sufficient funds to balance the budget. It is baffled by reports from the Treasury which urges taxes on undistributed earnings as a substitute for taxes on corporation incomes, excess profits and capital stock. Because of the need for speed the House Committee, lacking the time for consideration of technicalities involved in shifting from one type of corporation tax to another, is planning to fix up a bill which will come close to meeting President's approval on taxation of corporation surpluses, pass it and let the Senate have the headaches. Hearings on the new draft of the bill to start around April 1, are expected to be sketchy. It is expected to include a graduated scale of rates on undistributed earnings at different rates than previously made public, permitting a depression "cushion" with lower rates on small sums put into surplus. Insurance companies and banks are scheduled to escape by paying income tax only, while intercorporate dividends would be taxed the same as other income.

Senate is expected to rewrite whole bill which will probably furnish the basis of final bill. Contents of Senate bill are expected to be some sort of lighter tax on surplus in addition to present corporation income tax, plus new excise taxes and so-called "windfall" tax (income received by processors from non-payment of AAA processing levies).

Progress of Bills. The Van Nuys bill forbidding employers by "fear or intimidation" to influence the votes of their employees in national elections was still before the House Judiciary Committee. A sub-committee has already heard testimony, much of it in opposition in its present form. Representative Perkins of New Jersey wants the same prohibitions applied to government agents and others as well as to employers. Representative Ramsay of West Virginia wants the Senate approved bill which forbids among other things: stuffing folders into pay envelopes; exhibition of posters designed to influence votes; implication by employers to employees that if a certain candidate is defeated or elected the employees' livelihood will be endangered. Sub-committee was in session again week of March 23 with prediction being made by whole committee chairman that bill will be reported out.

The Healey bill (H.R. 11554) requiring all government contractors with contracts of more than $2000 to virtually become "policemen" to assure the government (The Labor Department) that certain hours and wages dictated by the Secretary of Labor were adhered to, is before the House Judiciary Committee. James W. Hook, president of the Geometric Tool Company, New Haven, appeared in opposition to the bill as he did the Walsh bill, (similar except slightly more drastic) last August. The Association also filed a brief in opposition. If enacted the bill would virtually raise the Secretary of Labor to a position of dictatorship over all American business dealing with the government. It would create a situation far more chaotic and intolerable to business, workmen and government purchasing agencies than the worst regulating phases of the NRA.

The Wheeler-Rayburn bill, expanding powers of the Federal Trade Committee to investigate into private affairs of business reported to Senate March 18.

One of the Patman-Robinson-Utterback chain store bills, recently debated secretly by House Judiciary Committee and the less stringent Borah Van Nuys bill (which would not prohibit quantity discounts entirely but would requre that discounts given to one purchaser be extended to others buying the same quantity) also seriously being considered, is expected to receive committee approval around April 1.

Further hearings on stream pollution bills and the Wheeler Anti-basing point bill (see Transportation Department this issue) were being held during the week of March 23, but are expected to be sidetracked.

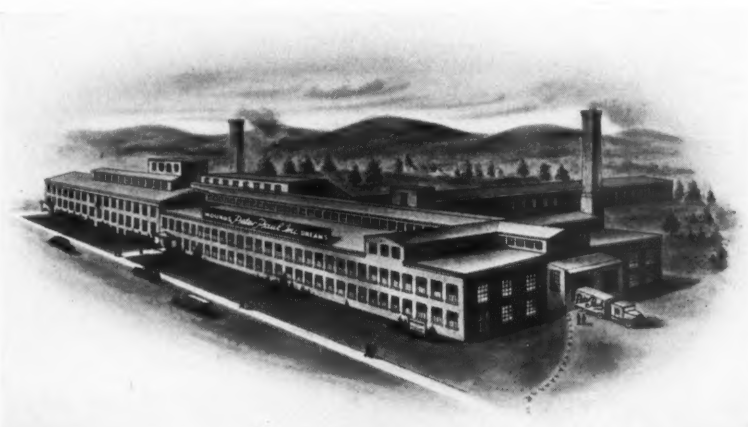
The Smith Anti-Lobby bill which would require all individuals and organizations opposing or favoring or attempting to directly or indirectly influence the passage or defeat of any bill to register with the House

(Continued on page 26)

SWEETS

Mass production of candy in Naugatuck came about through the shortsightedness of one banker and the farsightedness of another . . . The mass production of Peter Paul's candy specialty "Mounds" five cent chocolate covered coconut package, was an idea borrowed from Henry Ford and applied to sweets

AMERICA needs a good five cent cigar," said former Vice President Marshall some years ago. Many of the cigar men and some of the smokers say that that need is now supplied; we have several to-day. Although no government official sounded such a dramatic mouthful in behalf of a nation of candy lovers, many 5 cent bars have come forth in recent years to win the taste approval of millions of the thrifty, at the expense of the boxed aristocrats that once brought joy to the 'girl friend' and calm to marital squalls. O'Henry's, Milky Way's and Baby Ruth bars have tickled the palates of millions and carried away handsome profits. But even while they were 'tops' in sales, officials of Peter Paul, Inc., of Naugatuck, Connecticut, refused to move from their conviction that "they made the best coconut candy bar which could be bought anywhere for five cents."



DRAWING of plant of Peter Paul Inc., as it stands today about one mile from the industrial center of Naugatuck, Conn.

Without deviation from their course, as many are enticed to do when competitors shine, this firm of confection makers commenced to 'dig-in' in 1932 to prove to the world that their conviction was correct. Being a strong believer that the seeds of business failure or success are entirely in the control of management, President Calvin K. Kazanjian together with his associates began to take stock of themselves. Unlike thousands of industrial and commercial chieftains, they were not content to excuse standstill or declining sales figures by religious reference to the dropping chart lines of general business activity. They reasoned that in the face of general decline, sufficiently greater effort would succeed. Accordingly they began studying national sales figures in the candy field. They found that despite a $33\frac{1}{3}\%$ drop from peak national sales of $300,000,000, the nation was still enjoying an all too small percentage of Peter Paul specialty confection offerings — 'Mounds' and 'Dreams.' Obviously the possibilities for expansion of sales in their highly specialized coconut bar field were practically as great as ever if only the key to more sales could be found.

In their search, these introspective officers soon discovered that developments in packaging had left them in arrears with an outdated confection in an out-moded dress. Looking still further they perceived that despite a substantial drop in prices of material, a poorer and cannier public was being asked to pay 5 cents for the same sized bar it had bought when money was twice as plentiful. Light dawned, and action followed swiftly. Off came the opaque tinfoil wrapper which hid the enticing form of 'Mounds' from view. It was wrapped in cellophane for sales appeal. Sales increased. Still not content, company officials decided to gamble increased costs of wrapping two mounds of their admittedly delicious chocolate covered coconut confection in one package in the hope that the added value would be balanced by increased sales volume. Their faith in the inherent good judgment of the general public was soon rewarded, for within 30 days sales began to rise. They have been on the jump ever since. To-day Peter Paul, Inc., is the largest maker of coconut candy in the world.

Employment at the plant is twice what it was in 1932 and progress is still being pushed by constant attention to the details of offering ever greater value in other candy bar lines. Indications of the company's progress are found in one factory expansion which doubled the size of the factory space and hatched a 100% stock dividend since 1932.

The Egg is Hatched

Unraveling the skein of prosperity in this Naugatuck mass production candy kitchen leads back through the years to 1890, when Peter Halajian, an American immigrant, landed in the United States to seek a new life under the "Stars and

Courtesy Hartford Courant

A STORAGE room well filled with bar chocolate as it comes from Africa and South America.

Stripes." Of an independent turn of mind, he decided early to enter business 'on his own,' and before many years had passed he had become the owner of a small chain of confectionery shops in Naugatuck and Torrington. During the course of his business relations with the public while selling ice cream and his popular home made candies he discovered his name was literally being murdered in sound and in print. On finding that his surname (Halajian) was synonymous with the English given name of Paul, he arranged his legal name as Peter Paul, which any Yankee could pronounce.

Up to 1919, Peter Paul was a mere merchant. That year he launched out in New Haven, with five associates, into the candy manufacturing field under the name of Peter Paul, Inc. A one story space, 50' x 60', was ample for the first three years in business when Calvin K. Kazanjian, the company's present head, did all the buying, selling and bookkeeping and handled all of its correspondence.

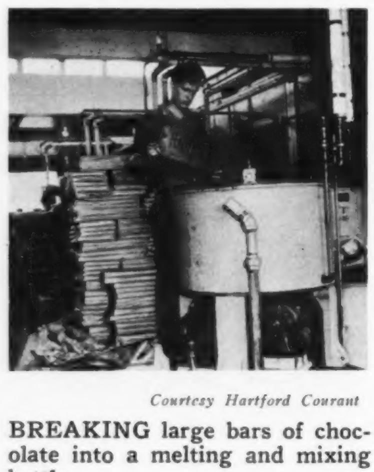
It may be imagined that life was simple for Mr. Kazanjian in these early days when the annual business equaled but 3 days output of the present day. "Those days were most difficult," relates the present head of the company who learned first about the candy business from Peter Paul (his brother-in-law), in his Torrington store. He had worked in the store, had partaken of experiences in the operation of a moving picture theater and had observed business trends. The idea of selling a small repeat specialty item was firmed in his mind by the fruits of Henry Ford's experience in the automotive mass production field. So he with his associates determined early to specialize in producing the best coconut candy bar on the market at a time when the 'lords of the candy world' were boasting that they produced from 100 to 400 different varieties of confections. Certain that his principle of specialization was economically right, Mr. Kazanjian sloughed off the dire predictions of the gloom chasers in New Haven, to quietly enter one candy jobber's office after another, tear off the wrapper of a 'Mounds' confection, break it and offer the jobber a taste. By this simple and common sense sales technique, Mr. Kazanjian landed orders on practically every call.

Soon the small New Haven quarters became overburdened with activity which demanded more space and equipment. To provide both, Mr. Kazanjian approached a New Haven banker for a loan. The banker could not see in the candy business any particular reason why he should risk financing it. Even threat of moving the business from New Haven left the banker cold.

Undaunted by the turn-down, Mr. Kazanjian sought a warmer clime, and found it in the office of a Naugatuck banker, who was willing to finance the removal of the plant to his community and further to provide the funds for the erection of the first unit of the present 75' x 400' two story factory. It was located in the fresh rolling countryside on the Naugatuck-Bethany-New Haven road about one mile from the industrial heart of the town. That was in 1922.

Two years later the bank had its money returned with interest and Naugatuck had a good start on the road toward becoming one of the six prominent candy centers of the United States. Now a bank director himself, Mr. Kazanjian chuckles as he recounts these earlier struggles. They fixed in his mind more firmly than ever the idea of expansion for specialization; and that bankers too often err in loaning only to those who have "gilt edged" collateral, giving little or no consideration to those who have economically sound ideas but are without sufficient capital to pursue them. He has lived to see many of his big rivals fold-up like the Arabs' tents in the face of the adversity in which his business thrived.

From 1924 to 1929 when the J. N. Collins Company, another large candy company specializing in caramels, of Philadelphia, was acquired as a subsidiary, Peter Paul, Inc., made steady, almost monotonous progress by securing more commis-



Courtesy Hartford Courant

BREAKING large bars of chocolate into a melting and mixing kettle.

sion candy brokers who sold more candy bars, to more jobbers, distributing to retailers, who in turn induced more of the general public to try them. Once tested, consumers came back for more of the succulent sweets until the company had "come of the age" with a sizeable surplus. But the dry depression rot began to stifle progress in 1929. It had done no appreciable damage, however, except to stop sales expansion when management began to take stock of themselves, their product and the market in the thorough manner previously described.

The Product

"The secret of the pudding is in the eating" is the nightly claim of a radio announcer, but it goes one step backward to the making if the secret is to become a profit factor to the manufacturers of the product. At Peter Paul's, it's fine materials, proper mixing, controlled temperatures and efficient mass production methods that make so many millions of delicious mouthfuls. In short, it's a leaf out of the popular priced auto makers' production methods applied to sweets that has created the biggest penny and five cent packages of sweets on the market to roll up sales of nearly 200 million five cent chocolate covered bars alone in 1935. There were millions more of the so-called penny and five cent boats or packages of caramels and butterscotch that tickled the palates of millions more of thrifty American candy buyers last year. Reduced to easily understood statistics, over 3 carloads of raw materials entered the factory every working day of a 48 hour week last year while more than 3 carloads of finished products were taken away.

Largest user of coconut for food purposes in the entire world, the Peter Paul factory consumes one carload of it every working day. That represents 20% of all the ground coconut imported into the United States, and when made into candy, it accounts for approximately 40% of the production in the coconut candy industry. Entering the factory at the second floor level the bales of dried ground coconut from the South Sea Isles are broken from their paper wrappings and dumped into a large hopper at the bottom of which is a magnetic roller that attracts any metal which may have been dropped into it. Enroute downward to this magnetizer are two sets of large rollers (two in each set) with murderous prongs appended which tear the closely packed coconut 'lump' into shreds.

After this break down process the coconut is brought back to the second floor on a large conveyor belt which hauls it up near the ceiling into an adjoining room, where it is removed in large iron overhead conveyors and dumped into the kettles, steaming hot with a mixture of corn syrup from mid-western U. S., cane sugar from Cuba, vanilla from Mexico and France and

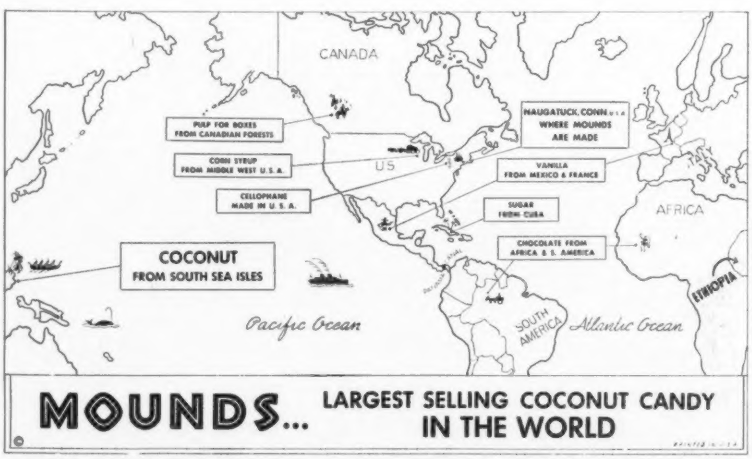
Courtesy Hartford Courant

GIRLS wrapping "Mounds" as rapidly as they move along on a conveyor belt. Note counter for recording work done above girl in foreground.

other flavorings best known to the management.

In the next room, another group of copper kettles take large bars of bitter and sweet chocolate, broken up by workmen, and melt them down to the proper consistency. The steaming brown mass is then drawn off by gravity pipe feed to cooling kettles on the floor, and from there, when the proper temperature is reached, through chutes in the floor to the candy bar coating machines below. Into the milk chocolate large quantities of peanuts and almonds are poured.

After the coconut mixture has been properly cooked in the kettles it is poured onto a slow moving conveyor belt. At the start of its long journey of cooling and 'moisture conditioning' the mass is spread across the belt to a uniform thickness just as it enters the refrigerated tunnel. Across the room it moves slowly like a caterpillar. By an ingenious device the cooling 'slab' of sweetness is turned at the other end to get the proper cooling on the opposite side. Traveling the same distance on the opposite side the belt descends downward through the floor to the forming machine which cuts a multiple of pieces at a time and many rows per minute. Once cut these nude centers travel a short way to their chocolate bath delivered by the so-called enrobing machine, fed from the chocolate



PETER PAUL INC. draws on many parts of the world for the raw materials which are used in the production of "Mounds" and its other candy lines.

THE four main items in Peter Paul's chocolate covered 5¢ candy line. "Mounds" and "Dreams" are the biggest sellers. The company also makes chocolate covered caramels.

kettles on the floor above. Coming from these machines, garbed in a thick rich brown coat, they are enticingly decorated by a bevy of nimble fingered girls just before entering another long cooling tunnel. Now thoroughly chilled and glossy as they emerge from the cool recesses of the tunnel, they are pounced upon by hungry piece work fingers of dozens of girls. Some put them in boats or dark brown trays, two to a tray (in the case of Mounds). Another group of girls on each side of the belt wrap and seal the trays in cellophane, recording their production on the counters above. Down the line the packages are stacked neatly in cartons and whisked away on another conveyor which carries them to the shipping room where a machine seals them automatically.

Thus is "the proof of the pudding in the making" until you test it "in the eating" of "Mounds," "Main Shows" or "Dreams." But before they reach you they may pass through any one of the company's 13 warehousing points in the U. S. from which several thousand jobbers draw them for your favorite retailer's counter (one of the approximately 400,000 selling Peter Paul sweets). In the eating of one Double Bar package of 'Mounds,' according to tests made by a nationally known laboratory, approximately 400 calories are consumed. Another interesting finding made by the same laboratory shows that one 'Mounds' is equal in energy value to any one of the following: nearly 1-1/5 pints of milk, six eggs, 5 medium potatoes, 1/3 pound of beef steak, 13 oz. of chicken, 6.2 slices of bread, nearly 3/4 pound of halibut, over 2/5 pound of tuna or salmon. Thus in terms of calories and energy values 'Mounds' ranks as an outstanding food bargain.

The naming of candy bars is a far more difficult task than appending given names to new-born infants. There are no "in-laws" to contend with, but sales are often affected for good or bad by the proper choice of a name never before used. Peter Paul 'Mounds' were named for their shape. 'Main Shows' was chosen because of a desire to indicate a relation between the peanuts in the candy and the thought of a circus. 'Dreams' was the winning title for another milk chocolate bar resulting from a name contest in the Naugatuck High School.

Other Products

In the older portion of the plant butterscotch and caramels are made and packaged in 1¢ and 5¢ packages. The materials in these items are of the same high quality as the choco-

(Continued on page 26)

CHIEF items in the non-chocolate lines, produced largely by the company's subsidiary, Collins Co., Philadelphia.

"EXCESS" (?) PROFITS *minus* INFERNAL REVENUE *equals* JOKE*

. . . *On you* BROTHER *On You.*

By Peter Schuyler, Petze & Schuyler, Accountants and Auditors, New Haven.

Editor's Note. "Net profit" represents "Net income less normal income tax on all chart references and on such text references as come within the provision of the 1935 Act."

ANCIENT HISTORY

THE night of June 18, 1935, will never go down in history as a memorable date. It should, however.

It was then that the President suddenly remembered that he was due to deliver his Message to Congress on the following day.

As a result pencil sharpeners were subjected to an unmerciful beating, scratch pads were consumed by the gross, and harried advisors, faced with the actual necessity of doing some work, became so flustered that they even forgot to address one another as "Professor."

The candles in the White House blinked fitfully throughout that eventful night, while a nation of taxpayers slept peacefully and innocently on. Finally the draft of the Message was completed.

History tells us that it was delivered on the following day. It was then the turn of a nation of taxpayers to blink fitfully.

Congress, too, was given something besides rusty Prince Albert coats and floppy black neckties to think about.

SO WHAT ?

That "something" later materialized as THE REVENUE ACT of 1935, "approved by the President on August 30, 1935, at 6 P. M., Eastern Standard Time." It was described briefly as "an act to provide revenue, equalize taxation, and for other purposes."

You may furnish your own sad comments, but don't let your mind wander too far on that "for other purposes" stuff or the old G. P. U.'ll gettya.

The Act, really a series of amendments to law previously enacted, covered four major headaches:

1—Increased Surtax Schedule, rates to apply only in the case of taxable years beginning after December 31, 1935. Inasmuch as such increased rates apply only to surtax net incomes in excess of $50,000, there is no need for you to read any more of this paragraph. You might just as well go get that other hod of coal for the parlor stove while I check back on this. (An Optimist says there are actually 8,000 returns filed annually—out of a total of 4,000,000—that report such fabulous incomes, but it just doesn't seem as if there can be that many professors in Washington.)

2—Graduated Income Tax on Corporations. This is the wedge for future deviltry by the precedent it now establishes. It is true that the graduation in rates is not startling: 12½% on $0 to $2,000; 13% on $2,000 to $15,000; 14% on $15,000 to $40,000; 15% on over $40,000 and 15¾% on consolidated returns of railroad corporations, all rates applying to taxable years beginning after December 31, 1935. But what is to prevent a much wider spread in the very near future?

3—Capital Stock and Excess-Profits Taxes. Our meat; more later.

4—Estate, Gift Taxes, etc. Nobody wants to die and nobody receives any more gifts and nobody keeps a kennel of Andsoforths any more, so we'll just skip this. If Hank Ford or Andy Mellon are interested, but a bit too hard up right now to subscribe to a tax service explaining the Inheritance Tax, we'll loan them ours, but we want it returned again with no pages missing. We've loaned things before.

*Published first in Pathfinder Service Bulletin, Los Angeles, California.

OUR MEAT

Back in '33, when the Capital Stock and Excess-Profits Taxes were resurrected after a rather lengthy interment, the akkontinks of the country arose en masse and pointed out to their clientele (cash customers only) the danger of too low a declaration of capital stock valuation.

Under the then existing law, a taxpayer was permitted to declare any value that struck his fancy and was thus initiated into the Excise Tax League at the rate of $1 per each $1,000 of such declared value.

Further, he was permitted to earn up to 12½% of such declared value in net profits (if he could) before the excess profits tax of 5% crept in to do its dirty work.

In other words, if some Blackguard Industrialist was so low in patriotic fervor as to anticipate his company's earnings to reach about $100,000 annually, he declared the value of his capital stock to be somewhere about $800,000 in order to exempt at least $100,000 of the first year's earnings from a 5% excess profits tax.

The charge to him, as a Capital Stock Tax, was $800 and that, also, entitled him to a glass of water thrice weekly and a change of linen whenever his neighbors washline fluttered close enough to his, the taxpayer's, window.

REWARD

The reward to the Ancient and Dishonorable Order of Disgruntled Free Lance Bookkeepers was one solely of mental and spiritual satisfaction. For once we guessed right. How do we know that our efforts to induce corporate taxpayers to declare healthily high valuations were proper?

Well, lissen.

During the "debates" in Congress on the new tax bill, Senator Pat Harrison of Mississippi stopped asking for new post-offices long

enough to wrap his flowing toga a bit closer to him, mounted a cracker barrel, and declaimed as follows to the tune of "God Save the King:"

"One of the major matters before the Committee on Finance was the criticism of the excess-profits tax *because the House bill did not permit corporations to declare a new value for their capital stock.*

"It will be recalled that some two years ago, in one of the bills being considered at that time, we revived the old capital stock tax, which had previously been eliminated from the law. We needed $80,000,000 in revenue, and we thought that was the best way to get it, so we gave to corporations, on the imposition of the $1 a thousand capital-stock tax, the right to declare the value of their capital stock.

"We wrote a provision into the law that *if a corporation put the value of its capital stock down too low it would be penalized by having to pay an excess-profits tax of 5 per cent on profits over 12½ per cent.* We thought those provisions would balance one another and *compel* the corporations to give *a fair value* to their capital stock, *but in the event they should not do so, but should undervalue their capital stock, then they would have to pay the penalty.*

"The provision has worked magnificently. So far as the return is concerned, it has yielded just about the revenue that was estimated. I think during the last year the Government received about $91,000,000 from the capital-stock tax.

"The committee bill allows corporations *to make a new declaration of value,* which they should be permitted to do. I make that statement, because some two years ago when we passed that law many corporations, especially out in the West, engaging in the mining business and other similar activities, had little value, but those values have considerably increased, in some corporations more than others, *and some corporations would be penalized greatly if they were not permitted to declare a new value.* Therefore, the committee bill, so far as the capital-stock tax and the excess-profits tax are concerned, *permits the corporations to make a new declaration."*

End of quote, as Father Coughlin says.

If you have any doubts as to the authenticity of the foregoing quotation, you are at liberty to refer to page 13518, No. 168, Volume 79 of the Congressional Record. On the same page you will find a swell new recipe for a corn likker "Thunderbolt," so your time won't be entirely wasted.

You will, perhaps, have noted the recurring allusions to the permissibility of making a *new declaration of capital stock value.* That, and that only, dearly beloved, provides you with a graceful out. But think twice or thrice, before using the same declaration you used last year, liberal as it may have seemed to you then.

SEZ YOU ?

Yep, sez I! Let's take a look at the dear old Law, painful as it may be for eyes that have long since become crossed trying to Look Around the Corner.

SECTION 105—(CAPITAL STOCK TAX—"(a) For each year ending June 30, beginning with the year ending June 30, 1936, there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1.40 for each $1,000 of the adjusted declared value of its capital stock."

SECTION 106—(EXCESS-PROFITS TAX)—"(a) There is hereby imposed upon the net income of every corporation for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under section 105, an excess-profits tax equal to the sum of the following:

6 per centum of such portion of its net income for such income-tax taxable year as is in excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value;

12 per centum of such portion of its net income for such income-tax taxable year as is in excess of 15 per centum of the adjusted declared value."

For one thing, you'll notice that the per-thousand rate of stock value declaration has jumped from $1 to $1.40. This may be due to increased labor costs in Washington or to the necessity of cleaning up the bills for the new White House Kitchen.

Then, too, the excess profits exemption is narrowed down from a 12½% slice of the declared value of capital stock to one of 10%. Further, the excess of profits over the 10% exemption is no longer taxable at a mere 5% but that portion of profits that is in excess of 10% and not in excess of 15% of the declared value is now to be taxed 6% and anything beyond that 15% gets walloped @ 12%.

FIGGERS

The following will illustrate why Ragged Individualism will be out on the curb with a tin cup in its hand if it doesn't mull matters over a bit.

Under the old law, the Heartless Executive of any corporation unpatriotic enough to earn $100,000 annually in net profits declared a capital stock value of $800,000. 12½% of that equalled $100,000 before the Blue Deal, therefore no liability for the excess profits tax arose. Total drain on the company treasury: $800.

Next July the same Blackguard who controls the destinies of this mythical corporation is expected to file a new return.

He may muse that, inasmuch as the actual net worth of his company is somewhere around $500,000, his previous declaration of $800,000 was very liberal then and should be okie doke now.

What will happen if he does declare the same value—and if his profits run to $100,000 as anticipated?

(a)—The Capital Stock tax alone will amount to $1,120.

(b)—$80,000 and not $100,000 will be exempt from the excess profits tax.

(c)—The remaining $20,000 will be taxable @ 6%; $1,200 more to be dug down for.

(d)—Total tax on $800,000 declaration = $2,320 under the new law, as against $800 under the old.

(e)—Is it worth the $1,520 difference to do a little thinkin'?

In the first place, if exemption from the excess-profits tax bracket is desired, *it is advisable to declare a new value of capital stock based upon a figure approximately ten times the expected average annual net profits.* (This blackboard arithmetic excludes fancy side-trips into dividend declarations and such like.)

Using the example quoted above, the proper valuation to declare

would be $1,000,000. This would carry with it a capital stock tax of $1,400. Considerably more than the old $800 donation, it is true, but still $920 less than the total tax liability that would follow an improper and insufficient $800,000 declaration of value.

Following up the problem of the $800,000 declaration one step further, let us see what would result if the management was so unspeakably low as to permit *a net of $125,000* to be returned from the year's operations. Aside from the fact that the ears of the directors would probably be slit off and exhibited in Major Berry's noted Hall of Frame, the resulting tax liability would cause those same directors just as much pain elsewhere, anatomically speaking:

	DECLARED VALUES: $800,000		$1,000,000	
Capital Stock Tax		$1,120		$1,400
Net Profit	$125,000		$125,000	
Less 10% of Declared Value	80,000		100,000	
Excess Profits:				
Taxable @ 6%	40,000	2,400	25,000	1,500
do @ 12%	5,000	600		
Total Tax Liability		$4,120		$2,900

Even though profits outsmarted you, there is no need to throw away $1,220 by an inadequate declaration of stock value.

LITTLE GUYS

A still, small voice pipes up from somewhere and says that it's all very well to speak in grandiose terms of profits beginning at $100,000 but what about the thousings and thousings of little corporations, whose capital structure is insignificant by comparison and whose profits are in a class that saves the stockholders from the extreme annoyance of receiving copies each week of Harry Hopkins' series of lectures on "Property Rights vs. Human Rights?"

The same parallel holds true. *Needless overpayment* of excess profits taxes *can, in most instances, be avoided* if some thought is given to a new declaration of capital stock value next July.

Having always had the ability to create a stormy scene upon no notice at all, let us shift the next one to the interior of THE ITSY BITSY CUT-RATE COSMETIC SHOPPE, INCORPORATED.

The action takes place some time between March 1st and 15th.

Mr. J. Cuthbert Harelip, Secretary and Treasurer, is seated at a 2 x 4 fancy something that serves as a desk in the 6 x 8 cubicle that serves as an office in the rear of the store. Loud lamentations proceed from him for he has just been informed by his public accountant of the sad news concerning a $1,375 income tax liability on the corporation's net profit of $10,000 for 1935.

This was bad enough. But what was really most upsetting was the fact that when J. Cuthbert insisted upon payment of the accountant's services by tendering him six bottles of Aunt Clementine's Bust Developer, said accountant locked up his brief case and stalked out in high dudgeon with the remark that J. Cuthbert Harelip could jolly well go to blazes and complete the rest of his tax returns himself, including the Capital Stock Tax Return.

All during this tender scene, the President and General Manager of the concern was busy in another corner of the store filling a gross of glass jars with 2-in-1 shoe polish as part of an extra-double-rush export order of Massage Cream for Mrs. Haile Selassie.

"Oh, Mithter Sourpuss," wailed the gorgeous lisping thing from the rear, "whatever will we do about our tacktheth? That nathty accountant inthithted that we couldn't deduct the blackmail you paid latht year ath a bithineth eckthpenth. Now we fathe a thirteen hundred theventy five dollar income tackth and, bethideth, we shall have to dethide what to do about thith dreadful, new Capital Thtock Tackth."

"Nu," grunted Mr. Sourpuss, "so we'll mekking it out chip dis time to cut down de haxpenses! How much is it de Nat Worth by you on de books?"

"Twenty-Two Thouthand, five hundred dollarth," murmured the Orchid Man, gently dabbing his tear stained orbs in order not to disturb the mascara too much.

"So we'll mekking it $25,000; pliz to boddering me no more, Meester Sacretary."

Under the old law this would have been bad enough; $10,000 net profits on a $25,000 adjusted declared value would have resulted in $369 of taxes.

Under the new law, a capital stock and excess profits tax of $860 would result from such a declaration. Why? Because, of the $10,000 net profit, only $2,500 would be exempt from the excess profits tax, the next $1,250 would be taxable at 6% and the remaining $6,250 at 12%.

The safest course to pursue in this case, if the average annual increase to net worth is anticipated to be in the neighborhood of $10,000, is to declare the value of the stock as $100,000.

This would exempt all of the $10,000 net profit from the excess profits tax bracket and would entail a liability of a capital stock tax of only $140. If, after such a declaration, a net profit of $12,000 was earned, the combined capital stock and excess profits taxes would amount to $260; if $15,000 was earned—$440.

CAUTION

Once again we must caution the taxpayer, in his groping for some light on the question, *not* to attempt to glean any information from the government's lurid version of the 1935 Law. If you still don't believe me, I dare you to understand what is meant by the fascinating fairy tale that follows, couched in the inimitable style of a Treasury Department addict and scintillating with such sparkling gems of eloquence as: "in the case of a failure to make and file an internal-revenue tax return required by law, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, if the last date so prescribed for filing the return is after the date of the enactment of this Act, if a 25 per centum addition to the tax is prescribed by existing law, then there shall be added to the tax, in lieu of such 25 per centum: 5 per centum if the failure is for not more than 30 days, with an additional 5 per centum for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 per centum in the aggregate."

Ah, Divine Power of Woids!

Can't you just see Congressman Joe Doak tapping Old Man Jackson on the shoulder and telling him to be durned keerful not to make this here thing too easy to understand?

There is one bit of phraseology, however, that *all* of us can understand:

"Every corporation liable for tax under this section shall make a return *under oath*, etc., etc."

Well, boys, after reading this far you should require no assistance

(Continued on page 27)

SELECTING KEY MEN

By RUSH McNAIR HOAG
President National Personnel Service

Stressing the importance of buying executive brains, this article points out the advantages and defects of several methods.

THE problem of man selection is one of the most serious that management has to face. There has probably been less scientific thinking done on personnel problems than on any other phase of business. Problems of production and sales seem to be of primary importance, but are they? Who is going to produce the goods? Who is going to sell them?

Business is guided and directed by men, therefore the matter of personnel selection is of first importance. Executive selection will probably never be reduced to an exact science. First, there is the human element—a free thinking mind with the will to act in strange and unaccountable ways and therefore difficult to evaluate, and second, the accumulated information from which we derive our business principles is not so reliable as the information upon which we base mathematical tables. Consequently greater judgment is required in personnel selection than in many other sciences, and certainly whatever business principles are available, however inexact, should be used to reinforce this judgment.

There seems to be unanimous agreement among the group of people called "management" that the present economic situation demands men with intelligence, force and the ability to get things done. Of course the thing needed is not merely men, but men with plans and the ability to execute them.

Will Rogers once suggested a plan to do away with plans, but if we did not plan our business and operate according to plan we would do a hit or miss business which would be mostly miss. But a plan without a man capable of putting it into effect is as bad as a man without a plan. The problem of management has been to find not only the man who can be depended upon to intelligently carry out existing plans but to find men capable of original planning.

I think also most business men will agree that the success or failure of their business depends largely upon the men associated with them in key positions. Brains, and not machinery determined their successful sales policies; brains designed their products; efficient men with brains controlled the machinery and equipment and gave economical and efficient production.

In the small business the employees are individuals with characteristics, personalities, idiosyncrasies, qualifications and habits, good or bad, all of which the employer is familiar with and takes into consideration, but as the company becomes larger employees become "labor," and a commodity to be bought with a weekly pay check. Individuals are lost in the mass and only executives or heads of departments remain as personalities.

In one sense of the word the "hired" executives may still be considered as commodities just as are looms or drill presses, to be bought on the partial payment plan with monthly salary checks. Of course, in this case, the business man doesn't buy physical labor but brains, and he expects those brains to function in his interest at least seven or eight hours a day, and whereas "labor" works its allotted span of hours, the executive's brains grind on and on, frequently into the small hours of the night. The real problem of management has been to locate the man with a plan and in advance be sure that his background of experience has qualified him to generate the kind of thought that will produce results and put the plan into effect.

Just the moment one executive delegates work or responsibilities to another he becomes a selector of men. One of the most important tests of a manager is his ability to place the right man in the right place at the right time. Studies in employee selection have been directed largely toward those procedures which will effectively test workers on manual or simple clerical tasks. Science has not yet built up detailed methods that are readily available to management in determining the ability of a person to direct others.

Realizing this the efficient business man has come to recognize the importance of personnel work and to understand that the human element is probably the most vital factor in business. Certainly the payroll is one of the major items in the budget. Consequently he is getting away from hiring key men on the mere recommendation of some friend. Executive turn-over is expensive, sometimes disastrous, although frequently essential to success, but management on the average devotes very little time or thought to the selection of men. It is not a daily problem like sales, production or purchasing. Furthermore, the average capable man, having the problem of getting a new job very seldom, doesn't know how to intelligently sell his services. The problem is to get these two together so that they will each understand the other's problems and have an appreciation of the factors involved.

Large companies recognizing this have established personnel departments with a personnel director in charge, but have usually clipped his wings and restricted his authority, because the average personnel man may not have the rounded-out business experience necessary to have good judgment on sales policies, financial management or production control. Therefore, he can hire labor, perhaps an office manager, but he refers salesmen to the salesmanager, or a production manager to the works manager. Would he be allowed to look up a treasurer or

a new general salesmanager? You guessed the answer. He would not.

The efficient business man puts into effect a well planned production system, he makes careful and accurate time and motion studies, but about the nearest he comes to job specifications or functional duties and responsibilities for his key men is an organization chart which gives a man not much but a title and authority.

Before one can approach the problem of intelligent executive selection there should be a clear cut division of responsibilities and duties. Job specifications should be set up. Management should have it clearly in mind exactly what they want accomplished by the department, or by the head of the department. In hiring key men think of the job first and the man last. Experience in this work has led the author to believe that there is usually a woeful lack of knowledge of the duties involved, the coordinate responsibilities to be fulfilled, the general educational attainments that are required and the age and compensation that will meet these requirements. To understand fully what is required enables an employer to help the man to understand how to start in effectively on his job with the least loss of time. In other words a thorough understanding of the job, the less it will cost to fill it.

If the company is large enough and sufficiently well organized to have an efficient personnel department, we can break down the function of hiring capable men into three steps. The personnel man is the buyer, he knows the market and sources of supplies. The department head or executive under whose direction the new man will work sets up the job specifications and determines the experience and qualifications the man must have. The President or General Manager determines company policies and authorizes the change or additional burden. These three might very well form a board to make final selection.

It is assumed that a vacancy exists or a position is to be created. Management has one of two courses open: selection may be made from within the organization and a man promoted to fill the vacancy, or the man may be located, investigated and selected from outside sources.

If the company is large enough it is well to establish a company policy of promotion within the organization except in those cases where a new department is organized or a specialist is required to solve particular problems whether in management, engineering, production or sales.

Some of the advantages of promotion within the organization are these:

A. A knowledge of the personnel of the organization, and of the individual man's history and record of accomplishment.
B. A man's familiarity with the existing methods of doing business and quicker adjustment to the responsibilities of his new position.
C. A knowledge of existing routine would probably make for better discipline in carrying out orders.
D. An added inspiration to other employees in the opportunity for advancement.
E. A reduction in executive turnover and the consequent extended length of service.

Disadvantages of internal selection:

A. Increasing costs of maintaining understudies for a company promotion plan.
B. The limited field for selection within the company.
C. The inclination to promote on a similarity basis rather than on ability. Increased payroll budget based on length of service rather than on ability.
D. A lengthening pension list which has a tendency to develop paternalism.
E. The continuance of prejudices, internal politics, and the readjustment of personalities as between superiors and subordinates rather than a consideration for the efficiency of the business.

It is now well to consider the advantages and disadvantages of outside selection.

Advantages of outside selection:

A. The larger field from which to make selection offers the opportunity of securing greater ability for the particular job.
B. The bringing in to the organization of capable men with experience in other organizations tends toward a broadening rather than a narrow policy.
C. A more critical observation by superiors of the abilities of the new subordinate.
D. Realizing a possibility of competition from the outside there will be greater effort for improvement on the part of the existing personnel.
E. In order to make an intelligent selection, the necessity of making a thorough investigation of the man and his experience, and the securing of opinions of responsible people in other businesses than your own.

Disadvantages of outside selection:

A. Decreasing emphasis on length of service and possibility of losing regular employees who might change to other companies.
B. Candidate's unfamiliarity with established policies and history of the company.
C. Selection of candidates on his experience record with other companies rather than by personal knowledge of his capabilities.
D. A tendency on the part of the company to accept a new man's suggestions for change without careful study of the reasons.

Advantages of using the outside expert personnel organization:

A. A selection from a group of high grade men from all parts of the industrial U. S. who have registered with the personnel expert and submitted to his investigation.
B. The keeping of the matter strictly confidential, so that the man, the company's own force, competitors, customers, etc., will know nothing about it.
C. Saving of time: preliminary interviews have been made, qualifications determined, references checked, and records immediately available.
D. Saving of money: in saving of time; in advertising expense; in executive's time away from plant, and in travel expense for interviews.
E. The automatic elimination by the personnel organization of all those men not qualified to handle the job, so that the company interviews only those men qualified by experience and education.

An intelligent understanding by executives of personnel management is just as vital as an understanding of financial and business management. The setting up of clear cut job specifications, an accurate division of duties to prevent overlapping and duplication of responsibilities, the establishment of well understood policies relating to relationship between superiors, juniors and department heads will not only act to prevent executive turn over, but make for greater efficiency and actually make selection of new brain power easier.

MARKETING HINTS—PARTS NO. 4 OF A SERIES

● IF you made a machine to produce products like these you could scarcely find a more forceful way to illustrate your sales message than with a photo like the one above.

NEWS FORUM

A. C. Gilbert Improved. A. C. Gilbert, president of the A. C. Gilbert Company, New Haven, who has been seriously ill for several weeks with pneumonia is now well on the road to recovery, according to word received from F. W. Gilbert, vice president, March 16.

A. C. Gilbert was the originator of construction toys in this country under the brand name of "Erector." With this toy as a base product, the A. C. Gilbert Company has built up from a tiny workshop to one of America's leading toy producers now manufacturing a widely diversified line of toys as well as a number of electrical items.

* * *

Industry Speeds Scrapping Plans. The largest program of scrapping obsolete plants and machinery ever undertaken by American industry will start this year and continue with increasing vigor for the next four or five years, in the opinion of engineers and accountants recently interviewed by special *New York*

Times writer, William J. Enright, of the *New York Times*. Said Mr. Enright, "The fact that such equipment will be dismantled, instead of sold, as had been the custom prior to this administration's income tax and depreciation policy, will create a much broader field for new installations than ever before. Reasons for the scrapping program are both economic and legislative, according to authorities. Primarily, a number of industries are now reaching the point where it is more economical to operate with new machinery, carrying full overhead, rather than with obsolete equipment, charged with little or no overhead. The rapid development of speedier and more productive machinery in the last few years has accentuated this trend.

"Secondly, the pressure of higher income and property taxes will also compel industries to dispose of obsolete equipment.

"Thirdly, the capital loss restriction of $2,000 to a taxpayer, which includes corporations and covers equipment, will speed the dismantling process. The restriction applies only to a capital loss, suffered through sales of an item, and does not include scrapping. Consequently, through the latter process a company may possibly be granted greater deductions, accountants pointed out, than through a sale.

"Finally, the Treasury Department's policy of cutting down depreciation allowance makes it unprofitable to carry plant and equipment, to which in previous years greater depreciation allowances were charged than were warranted. Some companies found that they had charged machines with an 85 percent depreciation over a period of years where only about 50 percent of the usable life of the machine had passed."

Within the past year a sharp increase has occurred in the installation of more comprehensive plant ledgers, but it is estimated that approximately 40 percent of all companies with physical property valued at more than $500,000 still have inadequate facilities for estimating properly depreciation on an individual or composite rate basis. Accountants have pointed out the particular importance of having such facilities when plants are scrapped in order that a fair deduction can be made.

* * *

Death of Champe S. Andrews. Champe S. Andrews, 60, a director, vice president and director of sales of the National Folding Box Company, New Haven, died in St. Raphael's Hospital at 10 A. M., February 25. He had been in a critical condition since the previous Friday when he was taken to the hospital suffering from a ruptured appendix.

Mr. Andrews, a native of Chattanooga, Tenn., had been associated in the management of the National Folding Box Company with Hutchinson S. Hinkle and George W. Mabee since 1924. In his position as vice president directing sales, he was responsible for many recent developments in the packaging world, having contributed frequently to publications on packaging. He was also in great demand as a speaker on the subject, at one time being a regular lecturer before engineering classes at Yale.

Born at Yazoo City, Miss., the son of Colonel Garnett and Rosalie Champe Andrews, and a grandson of

Judge Garnett Andrews of the Supreme Court of the state of Georgia, Mr. Andrews received his formal education in the South, having been graduated with honors from the Alabama Polytechnic Institute in 1894. Two years later he was admitted to the Tennessee bar, and in 1899 moved to New York City where he became a member of the law firm of Sturcke and Andrews.

During the early 1900's he was counsel for the Medical Society of the state of New York. In 1902 to 1905 he was exalted ruler of Lodge 1, Benevolent and Protective Order of Elks in New York. During the Spanish-American War he was captain in the third Tennessee Infantry, and later captain of the Ninth Coast Artillery, New York National Guard.

Mr. Andrews was a member of the American Bar Association, a member of the Executive Committee of the American Society of Sales Executives, a director of the National Folding Box Manufacturers' Association, a member of the Medical Jurisprudence Society, the Naval and Military Order of the Spanish-American War, and a past national commander of the Spanish-American War Veterans. His clubs included the Graduates, New Haven Country, New Haven Lawn, Army and Navy of New York and Civitan. He was a member of the Sigma Alpha Epsilon fraternity and for many years took an active part in its organization.

He was widely known not only among his associates in the packaging field and through his wide acquaintance with America's leading sales executives, members of the American Society of Sales Executives, but also among many industrialists in other fields in Connecticut, New England and the Middle West. Both on the public platform and around the conference table his dynamic personality was always an inspiration to others.

He leaves his wife, Henriette Korber Andrews, and three sons, William K., Albert, a student at the Harvard Law school, and Champe S., Jr., a senior at Brown University. Three brothers, Garnett, Andrew Beirne, and Oliver B., all of Chattanooga, also survive him. The funeral was held at the home of his brother, Oliver B. Andrews in Chattanooga on Friday, February 28th. Burial was made in the Forest Hill cemetery in that city.

* * *

Shoe Hardware Reduces Employment. Shoe Hardware Manufacturing Company of Waterbury was forced to lay off 80 employees and reduce operating schedules from 24 hours five days a week to 16 hours four days a week about the middle of February. The chief reason for the reduction in operating schedules was given as competition in the industry, mainly in the slide fastener or zipper end of the business where foreign competition in Belgium and Japan were the chief factors. Connecticut manufacturers recently appeared before the tariff commission asking for relief from some of the competitive conditions.

* * *

Stanley Tool Offers New Shaft Grinder. A flexible shaft, portable grinder which can be used for countless external and internal grinding operations on tools, dies, castings, etc., has recently been introduced to the trade by the Stanley Electric Tool Division, New Britain, Conn. The $\frac{3}{8}$ H. P. Universal Motor, turning at a speed of 18,000 RPM, provides ample power to drive a $1\frac{1}{2}'' \times \frac{1}{2}''$ emery wheel at high speed on the toughest work.

NEW shaft grinder by Stanley Electric Tool Div., Stanley Works, New Britain, Conn.

The flexible shaft, 42 inches long, has a heavy rubber reinforced casing with protection springs on each end, while the handle is equipped with special ball bearings and a collet type chuck to hold $\frac{1}{4}$ inch shanks. The cradle furnished will hold the motor unit on a bench, or it may be suspended overhead.

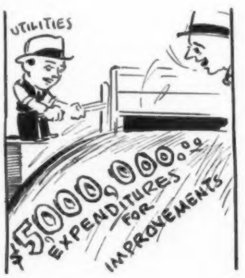
Besides the grinder which is furnished complete ready for use, except for grinding mediums, the company also carries a complete line of arbors, spindles, emery wheels and mounted points for use with this machine. The flexible shaft grinder sells for less than $50.00.

* * *

Utilities To Spend $5,000,000. Estimated expenditures for improvements of gas and electric utilities companies for 1936 has been recently estimated at $5,000,000.

The largest undertaking of the proposed project is the installation of a huge 25,000 kilowatt steam turbo generator at Connecticut Light and Power's Montville station. It will be completed in 1937.

Work is also scheduled to go forward immediately on installation of an 8,200 kilowatt unit for the Stevenson Hydro Plant on the Housatonic River, which is expected to provide a system of sufficient surplus capacity to meet marginal safety requirements, until the Montville job is in operation. The total outlay by Connecticut Light and Power Company in the two units previously described together with numerous other electric improvements, extension of lines, transmission and distribution systems, is expected to total $3,300,000.



The Hartford Electric Light Company group is expected to spend some $850,000, $300,000 of which will be spent on regular additions. The Connecticut Power Company is scheduled to spend approximately $330,000 for rebuilding a distribution system in one division, and increasing sub-station and transmission facilities in another. Both programs are said to be required by increasing domestic loads.

The Stamford Gas and Electric Company is expected to spend about $183,000 for general improvements, the Union Electric Light and Power Company's plans call for $34,500.

The New Haven Gas and Light Company will spend approximately $108,500 for distribution improvements, plant and miscellaneous equipment.

Other companies are scheduled to expend for ordinary improvements as follows: Greenwich Gas Company, $45,000; Greenwich Water Company, $84,000; Litchfield Electric Light and Power Company, $37,400; Bridgeport Hydraulic Company, $40,000; Stamford Water Company, $15,000.

* * *

Underwood Tops Five-Year High. Showing a five-year high record in results for 1935, Underwood-Elliott Fisher Company is continuing its expansion of business thus far during '36 by comparison with former years.

Last year's statement showed net profits of $3,095,870 after depreciation, Federal taxes and all additional charges, a gain of 19 percent over the net $2,604,879 in the previous year. The gain for last year was equal to $4.36 a share on 666,448 common shares, after perferred dividends, against $3.62 a share earned in 1934.

Underwood's sales in January 1936 were the largest for any similar month in six years, and were substantially above the January 1935 figures. Export sales for January also reached the highest level since January 1930, exceeding those of recent months. Up to February 18 orders on hand showed a wide margin over the preceding month.

Besides the marked financial improvement shown for 1935, Underwood-Elliott Fisher Company completed several major improvements both in manufacturing methods and products. These advancements cover various models of the Underwood typewriter and the accounting line. One important improvement was also made in the Sundstrand Adding Machine in the form of two retail sales models, specially designed to facilitate collection and recording of sales taxes, now required in many states.

During 1935 emphasis was also placed on engineering and development work, improving existing products and creating new models. Along this line, Underwood started remodeling a vacant plant in Hartford as a general research laboratory, which will be ready for occupancy in April or May this year. It will house the patent department and headquarters school for training service men and salesmen. The organization of the Neidlich Process Company, subsidiary manufacturing carbons and ribbons, was also materially strengthened and improvements made in plant, equipment and

products, according to Philip D. Wagoner, president of Underwood-Elliott Fisher Company.

* * *

Governor Names Unemployment Insurance Commission. Governor Cross announced Monday, February 24, his selection of members for the Unemployment Insurance Commission and, at the same time, indicated a special session of the General Assembly may be called about December 1 to pass unemployment insurance legislation, unless the Social Security Act is amended so that Connecticut will not be required to have an insurance law by January 1 in order to receive the major part of what it pays to the Federal Government this year.

Members of the Commission are understood to be as follows: Henry S. Beers, associate actuary of the Ætna Life Insurance Company, chairman; Miss Eleanor H. Little of Guilford, secretary of the Connecticut Emergency Relief Commission; Nelson W. Pickering, of Ansonia, president of the Farrel-Birmingham Company of that town and commander of the Naval Reserve of Connecticut; Thomas J. Shea of Middletown, president of the Connecticut Federation of Labor; Representative Noah Swayne of Darien, Republican; State Labor Commissioner Joseph M. Tone of New Haven; State Welfare Commissioner, Frederic C. Walcott.

The Emergency Relief Commission will finance the work of the Unemployment Insurance Commission, treating such research activities as a relief project.

* * *

Anthony Made Colt's Director. Graham H. Anthony, president of Veeder-Root Inc., was recently elected a member of the board of directors of Colt's Patent Fire Arms Manufacturing Company to fill the vacancy caused by the death of D. Newton Barney.

* * *

New Haven Clock Re-elects. At its annual stockholders' meeting held February 26, in New Haven, the following directors were re-elected: Henry F. English, Edwin P. Root, James E. Wheeler, Richard H. Whitehead, Edward Stevens, Philip H. English, Edward C. King and Harry O. Latham. At a subsequent meeting directors elected officers as follows: Richard H. Whitehead, president; Edward Stevens, vice president; William E. Chamberlain, vice president; Philip H. English, secretary-treasurer; Fred L. Bradley, assistant secretary; Frederick A. Neumann, assistant treasurer; William A. Morgan, assistant treasurer.

* * *

American Chain Shows Larger Profits. The American Chain Company of Bridgeport has reported net profit for 1935 of $1,645,806, or the largest for any year since 1930. The 1935 net was equal, after requirements on 88,261 of 7 per cent $100 par preferred shares, to $4.11 a share on 250,221 outstanding shares of common.

Declaring $1.75 a share on the preferred payable April 1 on stock of record March 20, the directors announced a plan for payment of accumulations on preferred, amounting to $22.75 a share or $2,007,983 after the April 1 payment, partly in cash and part in securities. On the basis of last year's business, the company was able, without impairing a strong financial position, to retire $3,438,500 of first mortgage 6 percent bonds, aided by a bank loan of $1,650,000 maturing serially $150,000 April 24, and $380,000 April 24, 1937, through 1940. In addition, 6,964 shares of preferred were retired for $440,013, meeting charter provisions.

* * *

Trend Reversed in New England. According to an analysis prepared for the New England Council by W. Gerald Holmes, industrial development authority, New England is gaining in relative importance industrially as compared with the rest of the country. Mr. Holmes, who addressed the 42nd quarterly session of the Council at Hartford late in February, declared that this reversal of the relative New England manufacturing trend during this century was first indicated in the manufacturing census of 1931, which showed a definite gain of 4 percent. According to the 1933 census New England's output measured by value of products was 9.8 percent of the country's total, or .8 percent more than all-time low of 1929.

* * *

Death of Hiram Percy Maxim. Hiram Percy Maxim, world famous inventor and scientist, whose researches and organizations brought fame to Hartford where he had lived for many years, died February 17th in La Junta, Colo., after a short illness with a throat infection which attacked him while enroute to the west coast with Mrs. Maxim. He was the third member of the Maxim family to achieve international prominence through inventive genius. His father, Sir Hiram Stevens Maxim, and his uncle, Hudson Maxim, became internationally famous for their development of explosives and guns, while Hiram Percy Maxim devoted much of his life to the silencing of noise, being president of the Maxim Silencer Company of Hartford.

After graduating from the Massachusetts Institute of Technology in 1886, when he was but 17 years of age, he was employed by the Sun Electric Company of Woburn, Mass., and several other electrical concerns until he came to Hartford in 1895 to become an automobile designer and engineer for the Pope Manufacturing Company and its successor, the Electric Vehicle Company. He also worked for a time for the Westinghouse Electric and Manufacturing Company in East Pittsburgh. In 1907 when the Maxim Silencer Company was organized he was associated with that company as its directing head. He is probably most widely known because of his invention of the Maxim Silencer for firearms, which was produced by the Maxim Silencer Company until 1925 when it was discontinued largely because most state legislatures had passed laws prohibiting the sale or possession of a Maxim gun silencer. From that time on Mr. Maxim and his staff devoted their entire energies to eliminate industrial and city noises such as those made by all types of engines, boats, airplanes, and compressors.

Mr. Maxim's chief hobbies were radio, astronomical research, amateur photography and yachting. Through his efforts the American Radio Relay League was formed in 1914 and its official mouth organ monthly magazine, called QST, was launched. Mr. Maxim was still president of the League at his death. He was also instrumental in forming the International Amateur

Radio Union, making a trip abroad in 1924 to make preliminary arrangements for the organization of this Union.

Realizing the necessity for organization in the field of amateur photography, particularly the motion picture angle of it, Mr. Maxim organized the Amateur Cinema League in 1926, of which he was president up until the time of his death.

Also interested in aviation, Mr. Maxim was a city aviation commissioner from 1922 to 1932, and was chief instigator of the move for the establishment of Brainard Field. He was one of the principal organizers of the Aero Club of Hartford and was its president from 1907 to 1926. He was a yachting enthusiast, owning a 38-foot Mathews cruiser, and was a member of the board of trustees of the Hartford Yacht Club.

Mr. Maxim also held membership in many technical and scientific clubs, being at one time chairman of the Hartford Branch of the American Society of Mechanical Engineers, former president of the Technology Club of Hartford, first president of the Engineers Club of Hartford, and a former member of the executive committee of the MIT Alumni.

At the time of his death the Patent Office files showed that he was responsible for the granting of 59 patents to him by the United States Government since 1901, 22 of them being granted on silencers for guns and other silencing purposes, mostly industrial.

One of Mr. Maxim's latest activities was the preparation of a syndicated series of signed articles, a number of which had appeared in *The Hartford Times* and many others which were scheduled to make appearances in various publications throughout the world. Previous to this effort he had written "Life's Place in the Cosmos," a book dealing with the evolution of man with pictures of man contemplating his place in the universal scheme.

Funeral services were held for him in Hagerstown, Maryland, after which burial was made in Rose Hill Cemetery in that city. Many Hartford people went to Hagerstown to pay their last tribute to Mr. Maxim. His life was characterized by a *Hartford Courant* editorial writer as follows:

"Hartford will remember Mr. Maxim, not alone as an inventor whose work already has done much to make life pleasanter, but as a learned, vigorous and witty speaker and writer and a valued contributor to the life of the community. His death removes a distinguished and respected citizen."

* * *

New Officer at Veeder-Root. Harvey L. Spaunburg, assistant secretary of Veeder-Root Inc., since formation of the present consolidated company, was elected secretary at the annual meeting of directors held February 18 at the Hartford Club. Directors of the company were re-elected without change at the annual stockholders meeting as were the other officers at the board meeting.

* * *

Gain Shown for Union Manufacturing. Operating profits for 1935 were shown for the first time in several years by the Union Manufacturing Company in its annual statement made public February 20th by President Carl Neumann. Net earnings for the year were $19,918.14 lowering existing deficit from $215,259.48 to $195,341.34. Accounts receivable and cash total $86,273.98 as compared with $57,425.80 a year ago.

In his statement to stockholders, President Neumann said: "New lines have been added during the past year. Chain hoists and trolley, the most recent addition to our general lines, also show betterment. An excellent product is being made, but much publicity work needs to be done to make this line widely known." More than 300 are employed by the company.

* * *

Bigelow-Sanford To Enter New Field. In line with its recent new direct-to-the-trade policy, Bigelow-Sanford Company Inc., of Thompsonville, Conn., recently announced plans to enter the hard surface floor covering market in the fall of 1936 with a line of heavyweight felt base rugs and yard goods, to be manufactured by Congoleum-Nairn Inc., but styled by Bigelow and sold under its name and trade mark.

Since establishing the new selling policy and opening warehouses throughout the country, Bigelow has been reported in the trade as considering the possibility of making a bid for some of the hard goods market. Among other new lines recently added are punched felt merchandise and a range of cushions made by DuPont. By entering the hard goods field, Bigelow will be the second similar company to take this step.

W. A. Enholm, formerly manager of Bigelow's New England division, has been appointed manager of the felt base division.

* * *

Pratt and Whitney May Join New Merger. Simplification of the corporate structure, including merger of Pratt and Whitney Company and other subsidiaries into the parent company, together with possible rearrangement of the executive personnel is being considered by the directors of Niles-Bement-Pond Company. It is understood that plans call for rearrangement of the corporate set-up similar to that effected by United Aircraft Corporation some time ago, when it merged subsidiary operating companies into a single operating unit, retaining valuable trade names by using them as designations for manufacturing divisions.

Niles-Bement-Pond owns Pratt and Whitney Company of Hartford, among others, and holds a minority interest in United Aircraft. Officers of the company (Niles-Bement-Pond) include: Colonel Edward A. Deeds, chairman; C. K. Seymour, president and treasurer; S. G. Etherington and R. M. Derby, vice presidents; B. E. Johann, secretary. Directors are: Frederick B. Rentschler, Clayton R. Burt and A. S. Keller, Hartford; F. W. Gordon, G. S. Rentschler, Sanford Etherington, C. K. Seymour, New York; G. A. Rentschler, Hamilton, O.; G. H. Warrington, Cincinnati; Col. Deeds; Sydney Buckley, Philadelphia; and F. A. Hatch, Montour Falls, New York.

* * *

Trouble in Danbury. Threat of a general strike tying up all union industry in support of the six-weeks-old walkout at the hat factory of the Hoyt-Messenger Corporation threatened Danbury during the early part of the week of March 15. The possibility of such a move was voiced by Walter Kohler, president of the Central Labor Union, in an address to approximately 1,000 members of the hatters' union on Sunday night, March 15.

Dennis F. Carroll, secretary of the hatters' union, urged all union men to join the picket lines at the Hoyt-Messenger factory in the event a Superior Court injunction is issued restraining picketing at the plant. John J. Egan, secretary of the Connecticut Federation of Labor, is said to have told the gathering that if such an injunction was granted "it becomes the duty of the labor movement to fight to the finish."

Previously on February 26 George A. McLachlan, president of the George McLachlan Hat Company, operating two rough hat factories, announced that his shops had been closed for indefinite periods because of his inability to operate under the union scale of wages. The McLachlan Hat plant normally employs about 250 persons.

* * *

Lawton Mills Sold. The stockholders of the Lawton Mills Company, Plainfield, Connecticut, voted early in March to sell the company to the General Cotton Corporation of Fall River, Mass., which took over the plant, March 12. The deal was said to involve about $1,030,000, which included a cash payment of $480,000 on delivery of the deed and assumption by the purchasing company of all outstanding obligations amounting to approximately $550,000.

In purchasing the plant the General Cotton Corporation implied that it would not operate the mill except to a limited extent to get out orders now on the books. At the time of the transaction approximately 650 persons were employed as against peak employment of 1200 to 1300. Prior to the strike, which began when some of the employees refused to accept wage reductions, 800 were at work.

According to the company management outside interference made it impossible to continue operations of the plant.

Before the sale was finally voted at the stockholders' meeting a letter from Governor Cross was read by State Labor Commissioner Tone making a plea not to sell the plant. The Governor expressed the belief that labor troubles could be adjusted in the near future and that financial aid might be obtained through the R.F.C. President Samuel C. Lamport, however, told the meeting that outside organizers had frustrated all attempts to operate the mill successfully.

* * *

Payrolls Up in Bridgeport. During February the weekly average payrolls in Bridgeport were $1,001,614, according to a report recently made public by the Bridgeport Chamber of Commerce. For the same month in 1935 payrolls totalled $842,750 weekly on the average.

During the low point of the depression in January, 1933, the weekly average dropped to $426,106, but for the entire year averaged $533,768. The year 1934 averaged $732,024 and 1935, $932,460.

* * *

Malleable Iron Holds Election. Eastern Malleable Iron Company re-elected Charles L. Berger chairman of the board and Lewis A. Dibble, president at its recent annual meeting held in Union City, Connecticut. At the same time the number of vice presidents in the company was reduced to one by re-electing John E. Walker and naming Emil Mannweiler and George E. Bean, former vice presidents, assistant to the president and director of sales, respectively. Other officers elected were: George B. Woolson, secretary and treasurer; C. E. Burst, assistant secretary and treasurer; I. Rice Davis, director of manufacturing; James L. Linsley, research director; A. L. Wheeler, manufacturing director of Eberhardt branch.

Reports read at both the stockholders' and directors' meetings showed profitable operations for last year and told of the razing of the Bridgeport and Troy, New York, plants now going on, and of the acquisition of the Eberhardt division at Cleveland, Ohio, purchased early this year, which is now operating on full time with 750 employees. Naugatuck and Wilmington, Delaware factories are in operation, but the New Britain plant has been vacated for several months.

Directors declared a dividend of 50 cents on the common stock, payable March 20, to stockholders of record March 10.

* * *

Remington To Have Interest in Brazilian Firm. The Remington Arms Company of Bridgeport has recently joined with Imperial Chemical Industries, Ltd., in organizing a new Brazilian company, to be known as Companhia Brasileira de Cartuchos, which will engage in manufacturing sporting ammunition.

* * *

Savings Dividends at Bristol. Late in February $275,000 was distributed to 775 employees of the New Departure Manufacturing Co., a division of General Motors, as their return from the corporation savings investment fund. Each employee received two and one-third times as much as he had invested as a member of the group who started this so-called "two for one" plan in 1930. Under the plan every dollar invested by the employee up to the maximum allowed of 20 per cent of wages (but not more than $300.00 each year) New Departure invests 35 cents, which together with interest makes it equal to or better than "two for one" return. The plan was discontinued in 1935 due to uncertainty as to legal requirements under the Social Security Act and stock registration laws.

Modern Style in Packaging Brought New Highs. Attention from buyers, as they looked over the 1936 line of clocks and watches made by Ingersoll-Waterbury Company at the recent New York meeting of the Druggists' Supply Corporation, indicated new highs in design attained by the Waterbury concern. Among the modernly styled popular-priced items was included a watch with a cover which fits over the face and which appears, when closed, like a smart powder compact. Intended for women's handbags, it can also be used as a night stand time piece because of the standard provided when opened. Said to be at the head of the procession in establishing a vogue for lapel watches, Ingersoll has produced one with a leather outside case, mounted on a display card to demonstrate actual use of the product. The Topper is another smart wrist watch having a rectangular case and round dial. It has been developed in

INGERSOLL Waterbury Company's "Kelton" line for 1936, one of several up-to-the-minute offerings this year.

both the popular and higher priced field. The Kelton line, slightly higher priced, includes a wrist watch with gold top and non-tarnishing chromium back; the Club, a round wrist watch in gold packaged in a manner to carry out the shape of the product; and a lapel watch with outside case of black molded transparent plastic material.

In the alarm clock field, Ingersoll offers the Day-Break, Call and Petite—all offered in modern styling and dress-up packages affording novel display possibilities.

* * *

More Gold in Last Year's Hills. United Aircraft has reported net income of $434,635 for 1935, of which $399,502 is profit from sale of holdings in Pan-American Airways stock. Thus earnings for 1935 are equal to 20 cents a share on 2,087,532 shares.

Stanley Works, New Britain, reported net profit for 1935 after all charges of $1,377,700 as compared with $551,449 in 1934.

American Hardware Corporation reported net earnings for 1935 after reserve adjustments including depreciation charges of $235,119, were $101,130 as compared with a net loss of $244,364 in 1934.

Pitney-Bowes Postage Meter Company and wholly-owner subsidiaries reported a net profit of $427,833 for 1935, after depreciation and taxes against $301,835 in 1934.

* * *

Death of George B. Alvord. George B. Alvord, of 1033 Prospect Avenue, West Hartford, died suddenly Sunday morning, March 1, at Nassau, Bahama Islands, where he was spending a vacation with his daughter, Miss Muriel Alvord.

Born in Torrington, March 29, 1871, Mr. Alvord spent the early years of his life in that city where he engaged in manufacturing activities, but for many years has been a resident of West Hartford.

He was a graduate of Yale University in the Class of 1895, and was a member of the Yale Club of New York City, the Hartford Club, Hartford Golf Club, Connecticut Historical Society, 20th Century Club, Sons of the American Revolution, Torrington Club and Torrington Country Club.

His directorship included the following: Torrington Company, The Torrington Printing Company, Torrington National Bank and Trust Company, Torrington Electric Light Company, Torrington Water Company, Union Hardware Company, Progressive Manufacturing Company, all of Torrington; and the Magna Copper Company of New York.

SERVICES AT YOUR DOOR

An alphabetical list of accessible services recommended to Connecticut Industry readers

. . . Query

Readers desiring to purchase merchandise or services not listed here will be given the names of reliable firms upon inquiry to this department.

. . . Listing

Copy for listing in this department must be received by the 15th of the month for publication in the succeeding month's issue. We reserve the right to refuse any listing.

DEPARTMENTS

Accounting Hints for Management

Contributed by Hartford Chapter N. A. C. A.

Inter-Company or Inter-Plant Profits. The president of a large industrial concern in this State which operates a number of plants, recently spoke before the Hartford Chapter of Cost Accountants. After giving a brief résumé of the products and processes of his companies, he launched into an interesting description of the various reports submitted by the accounting departments to the management and illustrated how these reports were utilized. Clear cut divisional responsibility is maintained and, through a budget system, control is set up by the management through division heads.

An outstanding point of interest in the discussion centered about the fact that each plant was expected to stand on its own feet; to show normal results on its operations whether its particular products were shipped to general consumers or to the affiliated divisions of the concerns. To produce satisfactory operating results, it is essential that the current market value of the product be charged to all consumers regardless of inter-company relationship.

It is realized that various factors enter into this situation. In some instances manufacturers have found it necessary to organize subsidiaries to insure adequate supplies of raw materials and to control the quality thereof. The facilities of such subsidiaries generally produce greater volume than the sponsor's immediate demands require which leads to their seeking additional outlets for their products, thus establishing them as factors in competition.

The argument has been advanced, with some merit, that if a company has gone to the trouble and expense of controlling its source of materials, that the benefit thereof should be reflected in its own operating costs. No positive rule can be stated which would have universal application. However, it does appear that management control can be more effectively applied when such units are handled on a basis comparable to independent plants.

A similar question occasionally arises with respect to the departments within a plant. An ambitious foreman or superintendent may desire to know how much his department has made. Ordinarily this is not deemed essential, the total cost and profit by products or production orders being far more essential. As to departmental reports, it would seem that data relative to production costs, operating efficiency and budget achievements should suffice.

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The monthly meeting of the Hartford Chapter will be held on Tuesday, April 21. The topic of discussion will be "In the Final Analysis, What Should We Do with Selling and Distributing Expenses?", to be led by William F. Worrall, International Silver Co., Meriden, Connecticut, and Louis S. Zahronsky, Wiremold Co., West Hartford, Conn. In view of the marked trend toward range-finding for sales, this discussion will be very timely.

Transportation

I. C. C. Orders Passenger Rate Cut. By a vote of five to four, the Interstate Commerce Commission ordered, on February 28, a nation-wide reduction of railroad passenger coach fares to 2¢ a mile, with Pullman fare cut to 3¢. This move, the Commission deemed necessary to meet the challenge of cheap highway transportation that has made in recent years large inroads into railroad passenger traffic revenues. In the order of February 28, the surcharges were eliminated. However, the so-called "extra fare" trains were not involved in the I. C. C. order.

Eastern roads have for the most part, with the exception of the Baltimore & Ohio, fought passenger fare reductions, contending that a fare cut would reduce annual passenger revenues by approximately $56,500,000. A court test by eastern roads was foreseen as a possible result of the I. C. C.'s passenger fare order. No immediate announcement of this move has been forthcoming. Trustees of the New Haven Road foresaw a possible loss of $4,000,000 in passenger fare revenues as a result of the Commission's passenger fare order.

* * *

New Haven Trustees Secure Court Orders. Trustees of the New Haven Road recently sought three court orders of the United States District Court as follows: approval of door-to-door freight service; grant of permission to sell real estate and improvements upon it for $35,000; and approval of petition authorizing the sale of property, the recovery and use of property, and the abandonment of property without separate court orders in each instance.

The court, presided over by United States District Judge Carroll C. Hincks, approved reluctantly the door-to-door delivery of freight, inserting the provision that the plan should be regarded as purely experimental, to extend for a period of one year from effective date, April 1, 1936, and that such operation shall require no capital expenditure. The second request was also granted. The third petition was not acted upon.

* * *

Blakeslee Made Shore Line Head. Harold L. Blakeslee of 239 McKinley Avenue, New Haven, was recently made president of the New Haven & Shore Line Railway, Inc., succeeding the late Frederick C. Spencer of Guilford. At the same time, three new directors were named as follows: Robert B. Lively of Clinton, Philip J. Stueck of Middletown, and C. Stowe Spencer of Guilford. Other directors were re-elected.

* * *

Anti-Basing Point Bill to Prevent Uniform Delivered Price. Hearings on the Anti-Basing Point Bill (S. 4055) were started on March 9 in the Senate

Committee on Interstate Commerce. The purpose of the measure is to prevent manufacturers from continuing the practice of making uniform delivered prices, thus compelling certain purchasers to bear a substantially greater expense of transportation charges than is borne on sales to other customers. Thus, the bill would prohibit the continuance of quoting uniform delivered price to all customers such as now practiced by many manufacturers.

As mentioned in Transportation Bulletin No. 456, all members are urged, if adversely affected by the bill, to immediately register opposition with Chairman Wheeler of the Committee on Interstate Commerce and with the Connecticut delegation.

Foreign Trade

Hartford Export Club Organized. At the call of the Association's Foreign Trade Secretary, a number of export managers connected with Hartford industries formed the Export Club of Hartford for the discussion of technical foreign trade problems, on Friday evening, March 13. Later the Club plans to affiliate itself with the National Federation of Foreign Trade Associations.

Although the first meeting was held at the Association headquarters, future meetings will take place on the third Monday evening of the month, following dinner at the University Club, Lewis Street, Hartford. Those present at the first session were: John D. Garrett, export manager, Arrow-Hart & Hegeman Electric Company; William G. Howells, Merrow Machine Company; A. P. Keeler, Fuller Brush Company; J. A. Roberts, Smith-Worthington Saddlery Company; James Henderson, Veeder-Root, Inc.; R. C. Kingsbury, E. J. Sather, and H. C. Bowman, Colt's Patent Fire Arms Manufacturing Company. Many other Hartford men interested in export work who were unable to take part in the organization meeting, plan to attend future meetings.

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Tariffs and Commercial Policies for 1935. In the February 15 issue of *Commerce Reports*, published by the Bureau of Foreign and Domestic Commerce, appears a very comprehensive and interesting résumé of foreign tariffs and commercial policies for 1935. The article, written by Henry Chalmers, chief of the Division of Foreign Tariffs, is recommended to export managers as worth-while reading. A few of the points brought out are as follows:

Although the majority of foreign countries during 1935 continued or accentuated their import restrictions, the total of which outweighed the few instances where trade barriers were eased, 1936 may, barring new adverse developments, be expected to bring less resistance to American exports.

European Continent

The tremendous number of inconsistent changes in duties, quotas, and exchange restrictions on the European Continent makes it extremely difficult to discern any determined foreign trade policy on the part of those countries. The tendency has been almost universal in this area to continue quota restrictions, to expand import license systems, and in several cases to institute tariff quotas, whereby a certain quantity of merchandise is admitted at a low rate. The purpose of these practices has generally been that of trade-diverting rather than of equality of competitive opportunity to suppliers in different countries. The multifarious bilateral trade balancing operations have not only resulted in injury for the trade of these nations but has injured that of nations which have abstained from these practices. However, it is felt that the actions of the League of Nations and of the Congress of the International Chamber of Commerce in Paris condemning these practices will soon bring a realization of the costliness of this program and of the ineffectiveness of the arguments in favor of the program. The aggregate monthly value of European exports has been consistently lower in 1935 than in 1934 and in 1933; and although there is some recognition of the necessity for increased international trade to aid the internal situation as well as to aid international problems, governments fear taking action in this direction because of uncertainty in the political field and because of the unstabilized state of international currency relations. The beginning towards more liberal trade controls has been found in the four reciprocal treaties which the United States has negotiated with Continental European countries, namely, Belgium, Sweden, Netherlands and Switzerland; and in the termination of long-standing tariff wars between Germany and Poland and between Hungary and Czechoslovakia.

British Empire

The commercial policy of the British Empire countries has been marked by their dependency upon import duties to regulate import trade. General quota restrictions in the Irish Free State and the foodstuffs quotas of the United Kingdom are practically the only exceptions to this statement. The Ottawa Agreements of 1932 are important in that their intent was to divert to British countries through special tariffs the purchases of their import requirements which hitherto had been supplied by non-British countries. Most important from the viewpoint of American exporters was the Canadian-American treaty, the reduction of Australian tariffs under their new policy of protection only to goods "economically manufactured in Australia," and the institution of the three-column tariff by the Union of South Africa.

Latin America

A striking development in a number of Latin American countries is the tendency to equalize the trade balance with those countries where their nationals have been buying more than they have been selling. There have been various methods used to attain this end, but the most prevalent are the establishment of multiple tariffs, in which case different scales of duties are applied according to the degree to which imports from certain countries exceed their purchases of national products, and exchange controls through which the volume of imports to certain countries is regulated by the allocation of foreign exchange for the payment of imports. The trade balancing movement is seen as a defensive move against the pressure of Continental European countries exerted upon countries from which they happen to buy more than they sell to grant them preferential treatment in the allocation of exchange

for the payment of current purchases and the clearing of up of debts. On the other hand, in the case of European countries buying less from Latin American countries than they have sold to them, the Latin American countries have resorted to the European practice of demanding increased volume of purchases under penalty of higher duties. During the last twelve months a tendency has developed among the South American countries to exchange with each other reciprocal free trade and substantial tariff reductions on commodities of which one country is the distinctive producer.

* * *

Economic Outlook Improved in Colombia. According to a report recently made to the Commerce Department by an American commercial attaché at Bogota, Colombia, advances in the price of Colombian coffee in the American market are expected to improve appreciably the demand for both capital and consumer goods in that country.

* * *

Foreign Trade Course Completed. The Association's foreign trade course was brought to a close after 17 weeks of study, with a banquet given at the Quinnipiack Club, New Haven, Thursday evening, February 20, where 26 students out of a class of 35 were presented with certificates of proficiency in acknowledgment of their ability to perform efficiently such industrial export and import functions as were included in the course. For the most part, these men were employed by Association member companies, but a few were employes of Connecticut banks and other students of the New Haven College.

The banquet and meeting was presided over by H. F. Beebe, export manager of the Winchester Repeating Arms Company. Speakers included Harold G. Farwell, export manager of Raybestos Division, Raybestos-Manhattan, Inc.; John D. Garrett, export manager of Arrow, Hart & Hegeman Electric Company; Ellis C. Maxcy, director, New Haven College; and John H. Goss, vice president of the Scovill Manufacturing Company and also vice president of the Association. Mr. Goss presented the certificates of proficiency to the following men:

George P. Brown, Tradesmens National Bank, New Haven; R. R. Brown, Frank J. Madden, Jr., Andrew G. Carroll and Evald E. Johnson, of the Phoenix State Bank and Trust Company, Hartford; Anthony Peccerillo, The Kolynos Company, New Haven; E. J. Sturtevant, Seth Thomas Clock Company, Thomaston; W. D. Ball and J. D. Murphy, The Wiremold Company, Hartford; W. J. Lofgren and A. L. Sweet, The New Britain Machine Company, New Britain; F. T. Martin and T. C. DeLoach, North and Judd Manufacturing Company, New Britain; Arnold Borgman, Frank B. Lucas and Austin D. Lucas, J. L. Lucas and Sons, Inc., Bridgeport; Elton M. Evans and Lewis M. Stone, The Mallory Hat Company, Danbury; B. J. Bamford, Warner Brothers, New Haven; Frank S. Gocher, Hartford Connecticut Trust Company, Hartford; J. D. Garrett, Arrow, Hart & Hegeman Electric Company, Hartford; J. F. Dement, The Dictaphone Corporation, Bridgeport; Richard Ertelt, Hamden; John J. Gayeski, Middletown; Robert Keppel, New Haven; and Frank Tammany, Waterbury.

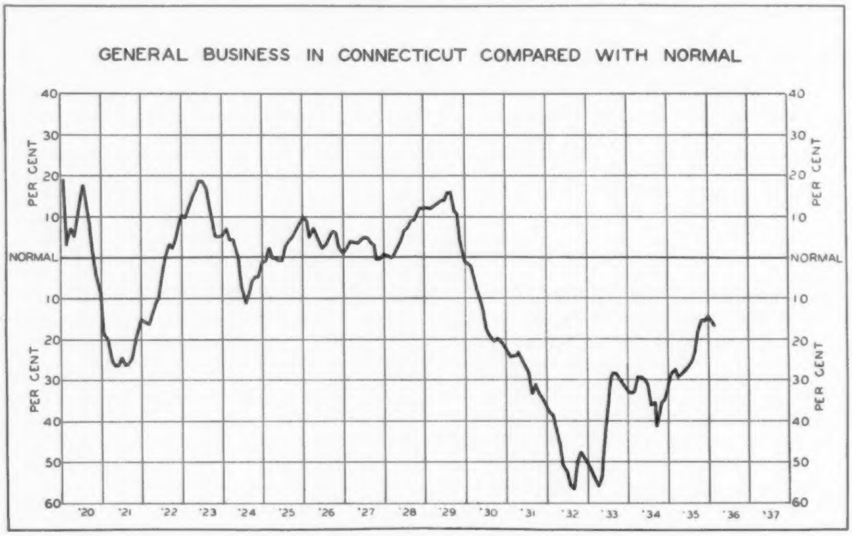
BUSINESS PATTERN

General Summary. During February, general business activity in Connecticut declined moderately for the second consecutive month falling to 16.8% below normal from —15.4% in the previous month. Adverse weather conditions during the first three weeks of the month hampered retail trade and tended to halt the usual expansion in manufacturing activity. Industrial operations increased in some cities but in most cases there was little change. The number of man-hours worked expanded by less than the usual seasonal amount and factory employment fell slightly whereas normally a rise of 2% takes place. Cotton mill activity also showed a small decline while metal tonnage carried by the New Haven Road fell sharply. Freight carloadings originating at thirteen Connecticut cities improved somewhat more than seasonally due to heavy shipments of coal from New Haven. Activity in the construction industry declined less than seasonally although contracts awarded for new buildings were reduced by the inclement weather. Bank debits to individual accounts in four cities in the four weeks ended March 11 were 13% above the corresponding 1935 period; this increase was somewhat less than that obtaining in the preceding four-week period.

General business in the United States, corrected for the usual seasonal variation, fell off abruptly in February. The underlying causes were much the same as those prevailing in Connecticut. Production of automobiles and lumber were particularly affected, demand for these products being curtailed by the severe weather. Pig-iron and steel ingot production both failed to expand as in previous years and cotton consumption was curtailed. On the other hand, freight carloadings and electric power production increased, the gain in the latter being partly due to heavier demand from users of automatic heating equipment. During the first week of March, the index of the New York Times was unchanged from the preceding week but available data indicate that the trend for the week of March 14 was definitely upward. Automobile production rose sharply to 90,000 units from 63,000 three weeks earlier. On March 16, the American Iron and Steel Institute announced that steel ingot production was at the rate of 60% capacity, an advance of 4.2 points over the previous week and the highest level since June 1930.

According to the U. S. Bureau of Labor index, wholesale prices on March 7 were 1% lower than four weeks previous and approximately the same as a year earlier. Farm products and foods declined about 2% during the past four weeks and 3% and 1%, respectively, from a year ago. All other commodities, as a group, have advanced 2% since March 9, 1935.

The cost of living index prepared by the National Industrial Conference Board declined 0.5% in February from January due to decreases of 1.4% and 0.5% in the cost of food and clothing, respectively. Small increases occurred in rent, and fuel and light. Compared with February 1935, the aggregate cost of living has advanced 2.4%. The price of rent has gone up 10% and food 3%; clothing has fallen 3% while other items have shown no material change.



Financial. The number of business failures during the four weeks ended March 11 declined 4% from the corresponding 1935 period while the gross liabilities of failures fell 12%. New corporations formed were 14% fewer in number. On the other hand, real estate activity showed a pronounced rise, the number of real estate transactions advancing 20%.

Construction. The volume of new building was considerably restricted during February but building activity, due to construction work started in previous months continued to increase, the adjusted index of activity in Connecticut standing at —60% compared with —62% in January and —81% in February 1935. The number of building permits issued ran below a year earlier in February but were 30% above last year in the first week of March. The value of permits during the same week also rose over a year ago. On March 10, the contract was awarded for a 20,000 square foot addition to the plant of the Bryant Electric Company of Bridgeport.

The value of building contracts awarded in 37 eastern states decreased in February contrary to the normal seasonal trend. Compared with the same month of 1935, the total value of contracts increased 81%, residential building rising 83%, public work and utility projects 63% and all other building 102%.

Labor and Industry. As mentioned above, manufacturing activity in Connecticut cities failed to increase as much as seasonally expected in February. As a result the adjusted index of the number of man-hours worked in seven cities receded to 14.8% below normal compared with —14.0% in January and —29.5% in February 1935. The index of factory employment stood at —6.4% against —4.1% a month ago and —14.1% a year previous. The trend of man-hour activity in the various cities was rather mixed, the usual seasonal increases taking place in concerns in Bristol, New Haven and Hartford; in the last city, production hit a new high level for the present recovery. In Meriden, the rate of operation was about the same as in January. In Bridgeport and New Britain, decreases in the number of man-hours worked were reported. Compared with a year earlier, Bridgeport showed a rise of 24%, Bristol, Hartford and New Britain 21%, New Haven 15% and Meriden 8%. Employment in Waterbury brass factories and in Torrington factories remained approximately as in January and 12% and 6% higher, respectively, than twelve months earlier. Data covering Bridgeport concerns during the first week of March showed a horizontal trend in manufacturing activity.

Trade. The Federal Reserve Board index of department store sales advanced to 80% of the 1923-25 average in February from 79% in January. The total value of sales exceeded last year by 9%. Current reports indicate a substantial improvement in both wholesale and retail trade during the first half of March.

Transportation. The index of freight carloadings originating in Connecticut advanced to —11.7% in February against —13.1% in January and —19.2% in February 1935. On the entire New Haven Road, loadings of building materials and automobiles were sharply higher than a year previous but the movement of merchandise in less-than-carload lots was 6% less.

Editorial Note: In this column will appear monthly, if the amount of good business literature warrants, a brief description of the books and pamphlets which, in the opinion of a business librarian and the editor, will be helpful to the business man. This month's suggestions are made by Miss Mildred Potter, Business Librarian, Hartford.

Central Banking Under the Federal Reserve System—Clark, Lawrençe E.

Contains an account of the development of the Federal Reserve System during the 20 years of its existence. The author particularly stresses its operation in the capacity of a central banking institution. The book is timely and reads easily.

Sales and Advertising—Gauss, Chester A. & Wightman, L. I.

A two volume practical, easy reading treatise covering the psychology of selling and advertising, analysis of sales, advertising and its relation to selling, copywriting, typography, mechanics of advertising, advertising department systems, and the control of advertising and sales expenses.

Psychology in Business and Industry—Jenkins, John G.

The author feels, although many books on the subject have been written, the lack of a single elementary volume introductory to the psychological problems of business and industry. He is Assistant Professor of psychology at Cornell University, and writes in a simple and factual manner.

Modern Publicity, 1935-36 Edition

130 illustrated pages of excellent advertisements covering the fields of poster work, newspaper advertisements, ads suitable for mailing purposes, and packaging ads. This is prefaced by short articles on the above subjects by well known advertising men.

Tested Sales Letters—Palmer, Herbert H.

This book contains 350 mail order, dealer, good-will and other sales-building letters that have been proved effective. They have been analyzed so that the reader may discover the reasons for their success. The author, who teaches business English and advertising at Syracuse University, used letters of many prominent business executives as illustrations.

War and the Private Investor—Staley, Eugene

The aim of this book is to present an objective, documental study of the relationship between private investors and industrial policies. It emphasizes particularly their bearing on international political friction. The author tried hard to stick to facts that can be verified and proved. It is of great interest at the moment.

Sweets

(Continued from page 6)

late coated items. Among them are Land of Lakes butter, cane sugar and the best grade of milk delivered daily from Connecticut dairy farms. Like the coated confections, the non-coated is first thoroughly mixed and cooked in kettles. It is then poured on slabs, and after cooling to proper temperature, worked by hand into large ropes of the proper size and consistency for cutting up and packaging by machine.

Recent Sales Promotion

Always on the alert to give greater values, Peter Paul, Inc., has sought in recent months to gain still wider consumer acceptance for its leader 'Mounds' by two different presentations of the coupon method. First coupons were distributed by messenger in Providence, Rhode Island. Later 520,000 of them were given to as many housewives in Brooklyn, and the Bronx, N. Y. Each coupon permitted the purchase of two candy bars for the price of one. Similar sampling campaigns are being tested in seventeen other cities through coupons printed in Sunday comic sections. By comparison of the results obtained by the two methods it now appears that the newspaper campaign will be adopted for building distribution nationally in those areas where sales promotion seems likely to produce worthwhile results. Through its advertising agency, Platt-Forbes, Inc., the company has also launched an intensive subway poster campaign in the New York area, which will be continued at least through 1936 and 1937.

To complete the cycle of sales promotion, candy retailers all over the United States are being given a graphic course in better retailing through a unique educational program devised by Peter Paul, Inc. The company now uses cartoon strips for the front covers of its 'Mounds' and 'Dreams' boxes, each new strip accenting a sound principle of retail selling. A father and son operating a store are the chief characters of the strip.

The Future

In the light of past developments, the present operation of the Naugatuck plant at capacity, and with even greater candy values about to be introduced, the future of Peter Paul, Inc., looks especially bright both from the angle of profit and greater employment. Only a few years ago the butterscotch package included 10 pieces for five cents. Today this package contains 25 pieces. The 'Mounds' package has been increased 33⅓% and 'Dreams' will soon appear in a much larger double bar package. As Mr. Kazanjian puts it, "We are willing to trade dollars for a while until greater values receive acceptance in profit volume. By being constantly on the alert for shortcuts in production machinery, purchasing savings through greater volume, we can give better values, increase our sales and employment. Contrary to the claims of labor agitators and many others who hold an honest conviction that the introduction of machinery creates unemployment, we have constantly increased it only because we have been able to secure greater volume through offering increased values made possible by labor saving machinery."

With a business philosophy that has sent sales sky-rocketing, increased employment, doubled factory capacity and raised profit levels during a period of general business decline, there can be no doubt as to the continued expansion of Peter Paul, Inc., during more prosperous years. When J. N. Collins was originally purchased in 1929, Peter Paul's management planned to move it to Naugatuck, but business increases in both plants have since delayed that move. However, two of the Collins lines chocolate 'Smoothies' (a caramel package) and butterscotch are now being made at Naugatuck, thus permitting the Philadelphia plant to concentrate on 'Walnettos' (a walnut flavored caramel in 5¢ packages) and 'Honey Scotch.' But with capacity practically reached in both plants expansion is certain at Naugatuck before the end of 1936.

At Peter Paul's, every 'up or down' is shared by employee holders of common stock which started off at $25,000 but is now 100,000 shares of no par common, approximately 80,000, being on a good dividend paying basis. In discussing the merits of different methods of financing a business, Mr. Kazanjian commented, "Anyone who invests money in our company is, whether he knows it or not, taking a risk. Consequently he should be entitled to his proportionate share of the profits, if there are any. On the other hand he should not grumble if he gets nothing when we make nothing. It is my opinion that bonds and fixed interest bearing issues make companies inflexible. They are also unfair in that while the company which issued them is making handsome profits, their holders are limited to a certain fixed percentage of them. In bad times an injustice exists when holders of bonds and fixed interest bearing issues continue to exact their income whether it is earned or not. I think the issuance of common stock is the fairest kind of financing."

Asked more about his business philosophy, this clear thinking, hard-hitting executive replied:

"Many business men forget they are servants of the public and try to dictate to it. If they would take the attitude that they would serve for whatever the public will pay, the public would support them more wholeheartedly, I am sure. Any business which does not emerge from a depression stronger than it was when the economic panic began, probably has a captain who does not know how to run his ship. Even an amateur can pilot a boat in fair weather."

So long as the good ship Peter Paul is captained by a man of Mr. Kazanjian's stamp, it appears that nothing short of national catastrophe can wreck its future progress.

Present officials of the company are: Calvin K. Kazanjian, president; George P. Wigmore, treasurer; George Shamlian, secretary.

Last Month in Washington

(Continued from page 2)

Clerk, submitting to him a detailed accounting of all money spent in excess of $10, has been approved by the House Judiciary Committee. The House Rules Committee has indicated that it plans to make prompt arrangements for bringing it to the House floor.

Although the 30-hour week bill lies dormant in the House Labor Committee, it may be revived again if the Healey-Walsh government contracts bill fails to pass, or should the Supreme Court upset the Guffey Coal Act.

"EXCESS" (?) PROFITS *Minus* INFERNAL REVENUE

(Continued from page 9)

at all in stringing together the words that would make a powerful enough oath to fulfill that statutory requirement to its greatest imaginable limit.

THEM CHARTS*

The shell-shocked veterans of '33, who waded through the mazes of the earlier charts without batting an eyelash, will find the present ones laid out in almost exactly the same form.

The "almost" refers to the fact that, whereas the old charts contained but one vertical column for amounts taxable as excess profits (@ 5%) the current ones must necessarily provide two such columns: one for amounts taxable at 6% and one for amounts taxable at 12%.

Thirty sets of control columns provide for tax data on various adjusted declared values of capital stock ranging from $5,000 to $3,000,000, covering, in turn, sixty-one net profit bases ranging from $1,000 to $1,000,000. Our spies inform us that the last sixty profit bases are unnecessary these days, but it's a helluva lotta fun, anyway, to play with these charts and compute the imaginary savings one has made in taxes if one had only made an imaginary net profit.

The first step to take in this Pilgrim's Progress affair is to determine what amount of profits you wish to exempt from the excess profits tax bracket.

If your annual net runs within fairly close limits, strike a fair average. If you can't do that, make up your mind as to the maximum profit figure you hope to exempt within the next couple of years.

In order to present a fairly representative problem, let us assume that $20,000 will amply cover your anticipated net profit within the next year or two and that you want none of that to creep within the excess profits tax bracket.

The third classification line from the top is headed, "Portion of Net Profit Exempt from Excess Profits Tax." Follow that across to the right until your trembling finger rests upon the square containing "$20,000." This happens to be the very last column on Chart I.

At the head of that column you will find that the proper declaration of stock value for the $20,000 exemption is $200,000. Directly below the $200,000 is shown the amount you will have to pay as a Capital Stock Tax, regardless of the fact that you may or may not earn any profits later: $280.

Now if you will lay the chart on your desk, keep your aforesaid finger in the last column and then use your left foot to trace the Net Profit items from the first column at the left, all the way across the chart to the last column on the right, you'll be all set to go ahead with the business in hand and afoot.

Tracing a $20,000 net profit item across to said last column you will note that it would entail no 6% tax and no 12% tax but merely the Capital Stock Tax of $280.

If a $25,000 net profit resulted you would be smacked for a 6% tax on the $5,000 excess over $20,000 ($300), and no 12% tax but still the C. S. tax of $280, totalling $580.

If you were smart enough to earn $30,000 net, you would still pay on but $10,000 in the 6% bracket, or $600, plus the C. S. tax of $280, totalling $880.

From that point on you would begin to run into expense, for old man 12% would then let loose his haymakers.

On the other hand, if your operations netted *less* than $20,000 you would still have to pay the $280 Capital Stock tax based upon the $200,000 declaration @ $1.40 per $1,000.

If you think that $200,000 is too high a declaration, just amuse yourself by seeing what would happen to your already sick looking wallet if you returned a lower declaration; say, one of $100,000.

True, your capital stock tax would amount to only $140, but a $20,000 net profit would cost you exactly $1,040 in taxes; a $25,000 profit would set you back $1,640, and a $30,000 profit would nick you to the tune of $2,240!

Not so good, eh wot, when you compare $1,040 to $280, $1,640 to $580, and $2,240 to $880. And, if you want some real chills to freeze up the marrer in your spine, just take a squint at the tax liabilities for those same twenty, twenty-five and thirty thousand peso profits under a $25,000 or $50,000 declaration!

MORAL

The moral of all this tripe is to use your head and use these charts before you go contributing recklessly to the upkeep of a few more professors. Believe you me, brethren, *they* used *their* heads when they set this innocent looking snare. You can avoid, legitimately, a great amount of excessive and unnecessary taxation if you declare the value of your stock high enough and don't go quibbling over the initial $1.40 rate.

Remember that the Net Worth as shown on your books doesn't necessarily mean a damn and that, insofar as we are at present able to judge, when you next file a return of adjusted declared value of capital stock during July, THAT VALUE IS THERE TO STAY!

L'ENVOI

It's just too bad that we cannot emulate the example of the fabled Englishman.

You may remember that His Majesty's Inland Revenue had sent this loyal subject a blank income tax return with full instructions for filing, etc.

The poor sap had never earned any great amount of money and had never filed a tax return; nevertheless, he studied it over very carefully and then sent it back with the following note:

"Esteemed Sir: I have given your Income Tax Return my most thoughtful consideration but have definitely decided not to join at this time. Respectfully yours."

* Chart referred to was mailed to members under separate cover with Tax Bulletin No. 110, dated April 6.

Service Section

On account of space limitations, the material and used equipment items offered for sale by Association members have not been classified by sizes or usage best adapted. Full information will be given on receipt of inquiry. Listing service free to member concerns. All items offered subject to prior sale.

materials for sale

COLD rolled steel in coils and in squares, condulets and fittings, remnants of covering materials—velours, velvets, mohair, tapestries, denims, chintzes, and cretonnes, semi-finished and castellated U. S. S. nuts, pulleys, flat and crown face-steel and cast-iron; new shaft hangers, brass wire, brass rods, aluminum tubing, cold drawn steel—mostly hex; miscellaneous lot of material used in the manufacture of molded rubber parts and flooring, knife switches—new and many sizes; carload C. I. drop bases; lead pipe, lead sheet, acid proof pipe fittings, 124 bars screw stock varying thicknesses and lengths, white absorbent tissue process from cotton, rotary convertor, colors and dyes—large anneal copper with high silver content in rolls. J. H. Williams' wrenches variety, lacquers—several hundred gallons in assorted colors; and soft in assorted sizes.

equipment for sale

ACCUMULATORS, annunciators, baskets, beaders, beamers, bearings, belt stretchers, blowers, boilers, braiders, bronze runners, cans, cards, woolen; car loaders, chain, chairs, chamfer, clocks, time recorders; clock systems, colors and dyes, compressors, condulets, convertors, conveyors, cookers, cooking utensils, doublers, draftsman's table, drop hammers, drops, board; drums, drying racks, dyes, engines, evaporators, extractors or percolators, fans, filtering carbon, folders, forming rolls, frames, furnaces, gears, generators, grinders, grindstones, grinding wheels, guiders, headers, lamp shades, lathes, lifters, looms, De Laski circular; machines, automatic; machines, calculating; machines, compressing; machines, dieing; machines, drilling; machines, filing; machines, filling; machines, folding; machines, knitting; machines, mercerizing; machines, milling; machines, pipe-cutting and threading; machines, pleating down; machines, riveting; machines, screw; machines, threading; machines, tongue and groove; machines, washing; mercerizer equipment; millers, mixers, mills, mills rubber; mixing rolls, motors, oil circuits; oven drawers, paints and lacquers; panels, planers, plungers, pointers, presses, profilers, pulley drives, pumps, reamers, receivers, rheostats, safe cabinets, saws, scales, screens, seamers, shapers, shears, spindles, spinning mules, steam tables, steam warmers, stitcher, 192 monitor corner box switches, tables, tanks, toilet equipment, trucks, ash can; tube closers; wire, wire screw and yarders.

for sale or rent

FOR SALE. One 3½ Bliss toggle press in good condition. Address S. E. 76.

FOR SALE. 1 Bigelow H. R. T. boiler. 53 B. H. P. Will pass inspection. With fittings. Address S. E. 79.

FOR SALE. One No. 94 Monarch Oil Burning Furnace, 2,000 lbs. capacity, complete with all accessories including electrical equipment. Address S. E. 90.

FOR SALE. Buffing and polishing sand for sale. Willing to give sample if interested. Address: Rita Harrington, 1273 Main Street, Hartford, Connecticut.

FOR SALE IN PUTNAM, CONNECTICUT. 90,000 square feet of manufacturing floor space located on 193,000 square feet of land. Floor space of 24,000 sq. ft. in modern two story building and 36,000 sq. ft. in stone mill, the balance being in a brick building connected by covered passages to other buildings, suitable for storage purposes. Plant protected by modern sprinkler system, and has elevator, modern toilet facilities and electric wiring. Will consider reasonable offer. Address S. E. 91.

FOR RENT. In Hartford, Connecticut, units of 5,000 to 16,000 sq. ft. in fully sprinklered modern building suitable for light or heavy manufacturing. Elevator, heat, watchman service included in rental. New York, New Haven and Hartford Railroad siding available. Out of flood area. Will rent at reasonable rates. For particulars apply to Billings and Spencer Company, Nelson Smith, 75 Pearl Street, Hartford, or your own broker.

wanted to buy

WANTED, USED—1 Portable Recording Wattmeter, 3 Phase, 3 Wire, 60 Cycles, 230 and 575 Volts. 5 Amperes, Synchronous Motor Drive (1" per hour and 1" per minute suggested); 2 Current Transformers for above, 20-25-40-50-800-1,000 Ampere Rating; 1 600-KVA, 440 Volt, 3 Phase, 600 RPM Alternating Current Generator, with Exciter; Exciter preferably directly connected to Generator. Generator must have amortisseur windings. Address S. E. 87.

NEW PRODUCTS WANTED. A well equipped established Connecticut manufacturer wants to acquire additional lines of metal products or tools having a normal manufacturing season during the summer and early Fall months. Would prefer an established line that can be distributed through the hardware trade. Address your offerings to S. E. 89.

FOR SALE. Bliss Gang Press in good condition. 100" between uprights. Equipped with punches and dies. Can be seen in operation. For sale very reasonable. Waterbury Mattress Company, Benedict and West Clay Streets, Waterbury, Connecticut.

employment

PRODUCTION MANAGER. Man with broad and basic training and diversified experience in manufacturing production management in several large industries and more recently in charge of production for 14 years in the largest plant of its kind in the state, is now available for another connection. References from last employer given on request for interview. Address P. W. 316.

COST ACCOUNTANT. Age 28, High School and College. Eight years' experience production and payroll work. Available at once. Operates Comptometer. References. Address P. W. 325.

SITUATION WANTED. Electro-plater with 26 years of practical and theoretical experience with all known plating solutions and finishes on all kinds of metals wants position. Executive ability. High grade references. Address P. W. 326.

ACCOUNTANT AND PRODUCTION PLANNER. Married man, 34 years of age who has training in higher accounting, cost accounting and business administration and experience covering a period of 13 years in planning and production work, manufacturing costs and supervision work desires position in Connecticut or New England in answer to his capabilities. Responsible recommendations furnished on request. Address P. W. 321.

ACCOUNTANT AND BOOKKEEPER. Man thoroughly trained and experienced over a period of 20 years desires position as accountant or bookkeeper. References upon request. Address Accountant, 9 Sherman St., Hartford, Connecticut.

COMMERCE DEPARTMENT EXECUTIVE. Young man in early thirties who has had broad business experience in both the domestic and foreign fields for the Bureau of Foreign and Domestic Commerce as a sales promotion man, market analyst, personnel manager and office executive, and who more recently has been in other executive positions with the government, desires connection with manufacturer or commercial organization. His experience qualifies him for sales, personnel, sales promotion or an office management position. Address P. W. 322.

COST AND FACTORY ACCOUNTANT. Young man, age 29, High School and Business College education seeks position as accountant. His experience has been in cost and general factory accounting. Desires position with CPA firm or manufacturing establishment in Connecticut or New England. Address P. W. 323.

ENGINEER—CONSTRUCTION & MAINTENANCE. Yale Sheffield graduate 1913, 5 years experience in outside construction, waterworks building construction, etc., 17 years in factory construction and maintenance, desires position as maintenance or construction man due to change in set-up of his present employer. References furnished upon application. Address P. W. 324.

The Case, Lockwood & Brainard Co.
Hartford [1936] Connecticut